SENATE—*Wednesday, May 14, 1986*

(Legislative day of Monday, May 12, 1986)

The Senate met at 9 a.m., on the expiration of the recess, and was called to order by the Honorable FRANK H. MURKOWSKI, a Senator from the State of Alaska.

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray.

God of Abraham, Isaac, and Israel, yesterday we celebrated the heroism of a very uncommon man, Natan (Anatoly) Shcharansky, whose indomitable spirit was unyielding against incredibly powerful pressures. Despite innumerable threats and enticements, he did not stop worshipping his God. We were reminded that he was the victim of a "godless government." Mighty God, help us to hear this! May his experience engrave in our minds the fact that when godlessness is official government policy, human rights are a matter of indifference.

As we celebrated, Heavenly Father, two sentences enshrined in the Jefferson Memorial came to mind: "God who gave us life gave us liberty. Can the liberties of a nation be secure when we have removed the conviction that these liberties are the gift of God?" Help us, dear God, never to forget or ignore this profound conviction of our Founding Fathers that human rights are inalienable because they are endowed by Creator God. Save us, Lord, from the sacrifice of all we hold dear by removing the conviction that human rights are the gift of God. Grant us grace to resist with all our beings a godless political system. In Your matchless Name, we pray. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore [Mr. THURMOND].

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, May 14, 1986.

To the Senate:

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable FRANK H. MURKOWSKI, a Senator from the State of Alaska, to perform the duties of the Chair.

STROM THURMOND,
President pro tempore.

Mr. MURKOWSKI thereupon assumed the chair as Acting President pro tempore.

RECOGNITION OF THE MAJORITY LEADER

The PRESIDING OFFICER (Mr. PRESSLER). Under the previous order, the majority leader is recognized.

Mr. DOLE. I thank the Presiding Officer, the distinguished Senator from South Dakota [Mr. PRESSLER].

SCHEDULE

Mr. DOLE. Mr. President, under the standing order, the leaders have 10 minutes each, to be followed by special orders, for not to exceed 5 minutes each, in favor of Senators BYRD, HAWKINS, CRANSTON, WILSON, GORE, SASSER, BIDEN, and PROXMIRE.

Then there will be routine morning business, not to extend beyond 10 a.m., with Senators permitted to speak for not more than 5 minutes each.

The Senate will then resume consideration of the drug export bill, S. 1848. We will finish that bill no later than 2 p.m. today. Rollcall votes can be expected, I assume, starting about 10:30 or 11 o'clock through the noon hour, because I know that the Senator from Ohio has two or three amendments, the Senator from Tennessee [Mr. GORE] may have an amendment, and there may be other amendments. With final disposition set for not later than 2 o'clock, I am certain that there will be a number of rollcall votes.

It will be my intention then to proceed to the consideration of the military uniformed services retirement bill. There are also a couple of bills on so-called franking privilege and daylight saving time.

We hope to have some announcement for our colleagues not only on what we will take up following the drug export bill but also what we will take up the remainder of the week.

Mr. President, I ask unanimous consent that the leader time of the distinguished minority leader, Senator BYRD, and his special order time be reserved.

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

Mr. DOLE. Mr. President, let me say one word about the so-called tax reform bill.

I will be consulting today with the distinguished chairman of the committee, Senator PACKWOOD, to ask him when he would like to proceed on the tax reform bill, whether it should precede final action on the budget conference or whether we should wait until that has been completed.

I have been informed by the distinguished chairman of the Subcommittee on Education, Arts, and Humanities, Senator STAFFORD, that he believes he can dispose of the higher education bill in 1 day. He would like very much to bring up that bill on June 2.

I am also advised that June 3 is a heavy primary day around the country, that there are a number of primaries, and we will be checking into that.

What I am indicating is that it would be my hope that we could start on the tax reform bill very early in June, if not the first order of business after the Memorial Day recess, maybe to follow the higher education bill. But I will confer with the chairman, Senator PACKWOOD, to see if he has another plan. Not only will his concerns be considered, but also, he will in effect make that call when we bring up the bill out of his committee.

It seems to me that the tax reform bill is really generating a great deal of support around the country. People who had not really believed we were serious about tax reform are now in support of the bill reported by the Senate Finance Committee.

Obviously, there are others who have some doubts. The Capitol was covered yesterday by realtors from all over the country who have been fed a pretty strong diet by their leadership and then sent to the Hill, but I believe that some of their concerns have been addressed. Others can be addressed without a great deal of revenue loss; and, frankly, some probably should not be addressed if they are talking about shelters, abuse of shelters, and whatever.

In any event, I indicate to my colleagues that a letter has been signed by myself, the distinguished Senator from Louisiana [Mr. LONG], and the chairman of the committee, Senator PACKWOOD, urging our colleagues, more or less, to hold their fire and not get signed up for major changes in the bill; because when we start losing revenue, it will be more and more difficult for the chairman to keep the bill together.

In my view, it represents a good bill. Obviously, changes in any legislation of that magnitude will be made. However, it is my hope that it can leave

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

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this floor largely as it left the Senate Finance Committee, as a strong bipartisan message to American taxpayers that we are serious about tax reform.

□ 0910

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.

□ 0920

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

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

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.

EXPRESSING SUPPORT FOR A TAX DIFFERENTIAL FOR LONG-TERM CAPITAL GAINS

Mr. CRANSTON. Mr. President, there is much good in the tax reform bill that will come before the Senate in the near future.

The reduction of the tax rates, the removal of millions of people at the poverty line from the tax rolls, the shifting of the tax burden from individuals to corporations, are all to the good.

But raising the tax on capital gains, as the Finance Committee proposes, would mark an American retreat from the leading edge of technology.

It would stifle economic opportunity for young men and women—the very people we look to to create the technologies of the future.

Many of these potential entrepreneurs are young people in their early twenties.

Many of them have no credit rating.

Banks and large financial organizations will not back them.

Their only hope is backing by venture capitalists—people who are willing to take risks.

But these can be very high risk investments.

And unless the Tax Code recognizes the risks these investors are taking, they will put their money into other safer, less risky, less pioneering ventures.

Venture capital—stimulated by a lower tax on capital gains—promoted California's Silicon Valley, the trailblazing center of the semiconductor chip.

And it spurred the development of high technology industries all across the country.

But the Finance Committee's tax bill, I am afraid, would stunt the next generation of silicon valleys—in California and elsewhere.

And the Nation will be much the poorer for it.

I am sure many of my colleagues feel much the same as I do about this matter.

As a vehicle for expressing our support for a capital gains differential, I am introducing today a resolution that says in part:

First, the availability of venture capital is critical to the needs of small business ventures whose owners cannot obtain loans from traditional sources of financing.

Second, small businesses provide the greatest numbers of new jobs.

Third, many promising new technologies first are developed commercially by small enterprises.

Fourth, technological leadership is one of this Nation's most important resources.

Fifth, the vital high technology sector is unusually dependent upon infusions of outside risk capital to meet intensively competitive markets.

Sixth, the availability of venture capital to small businesses has declined in the past year.

Seventh, the pressure of international competition is driving up the demand for outside risk capital.

Eighth, the experience of the 1970's has shown the potential harm done to risk investment by eliminating the capital gains differential from our tax system.

Mr. President, wisdom suggests we ought to learn the lessons of history.

I ask unanimous consent that the text of the resolution be printed in the RECORD.

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

S. RES. 407

Whereas, the availability of venture capital is critical to the needs of small business ventures whose owners cannot obtain loans from traditional sources of financing; and

Whereas, small businesses provide the greatest numbers of new jobs; and

Whereas, many promising new technologies first are developed commercially by small enterprises; and

Whereas, technological leadership is one of this nation's most important resources; and

Whereas, the vital high technology sector is unusually dependent upon infusions of outside risk capital to meet intensively competitive markets; and

Whereas, the tax reform experiment of 1969 erased a significant differential between capital gains tax rates and ordinary income tax rates; and

Whereas, the flow of risk capital to high technology companies dwindled from $1.6 billion in 1969 to less than $37 million in 1977; and

Whereas, many high technology companies were forced to sell their technology to foreign competitors in order to raise capital; and

Whereas, the Congress in 1978 recognizing the seriousness of the drought of venture capital enacted the Capital Gains Reduction Act of 1978 to lower the rate on long-term gains from a possible maximum of 49% to 28%, thereby providing a meaningful differential for longterm capital investments; and

Whereas, venture capital investment increased dramatically in two years to over $1 billion and exceeded $4 billion in 1984; and

Whereas, the Joint Economic Committee of the Congress in 1984 studied the effect of the reduction in capital gains tax rates since 1978, and concluded, "The capital gains tax differential was, and continues to be, a major factor behind the post 1978 surge in venture capital availability"; and

Whereas, since 1978, the electronics industry has created over one million new jobs; and

Whereas, the availability of venture capital to small businesses has declined in the past year; and

Whereas, the pressure of international competition is driving up the demand for outside risk capital; and

Whereas, the experience of the 1970's has shown the potential harm done to risk investment by elimininating the capital gains differential from our tax system; and

Whereas, wisdom suggests we ought to learn the lessons of history; therefore, be it

Resolved, it is the sense of the Senate that appropriate tax treatment for longterm capital gains investments should be incorporated into tax reform legislation and, that this can be accomplished by one or both of the following measures;

(1) a meaningful differential for longterm capital gains; or,

(2) proper indexation of invested assets to account for inflation.

Mr. CRANSTON. Mr. President, I yield the floor.

RECOGNITION OF SENATOR GORE

The PRESIDING OFFICER. Under the previous order, the Senator from Tennessee [Mr. GORE] is recognized for not to exceed 5 minutes.

STRATEGIC DEFENSE INITIATIVE

Mr. GORE. Mr. President, yesterday, I began this series of speeches on Strategic Defense Initiative discussion of the enormous gap between what the President promised the Nation and what is in fact materializing.

While the President raised hopes for a near-perfect defense of our population, SDI has become a defense system for ballistic missiles and other strategic assets. Today, I want to shift to another area where a gap has opened between what was promised and what is coming to pass: SDI's relationship to arms control.

The President has repeatedly assured the Nation that SDI can be pursued without damage to existing arms control agreements, and without prejudicing chances for agreements in the future. After all, it is only a research program, we are told. And yet, it is a curious and disquieting fact that SDI's most vehement supporters are veteran opponents of arms control.

What is involved here is a conviction on their part that the United States-Soviet struggle will never yield to negotiations, because the Soviet Union's underlying motives will not change. From this perspective, it is not in the U.S. interest to codify strategic nuclear equality, let alone stability, but, rather, to concentrate on recapturing our former nuclear dominance. And since the public will not support unlimited new deployments of strategic weapons, there must be another way: SDI.

Not the President's SDI, of course, but the "real" SDI, whose most dedicated supporters mince no words. They want a major increase in U.S. hard-target forces and they want those forces to be protected by some quick-and-dirty version of SDI. Such a combination adds up just one way for the Soviets, the same as it does for us: it is a first-strike capability, not to be actually used in that military sense, of course, but to ensure geopolitical dominance.

And so, it is not a coincidence that SDI's best friends are the same people who do their best to get rid of SALT II. Nor is it a surprise that they hail the administration's stunning reinterpretation of the ABM Treaty, which made it almost a charter for SDI. Quite simply, for them, arms control is an obstacle.

But what makes the irony complete is that the President, at times, appears to realize what SDI's superorthodox supporters do not; namely, that SDI is so critically dependent upon arms control, that were the goals of SDI's supporters realized, and arms control done in, then SDI itself would have to be abandoned.

Just before the summit last fall, the President twice said that SDI would be dangerous unless put in place cooperatively by both superpowers, and then only after the complete dismantling of their nuclear arsenals. What this formulation lacks in finesse, it more than makes up for in terms of an intuitive grasp of the truth.

If we simultaneously give up SALT compliance and announce that we are also going for broke on SDI, then we give the Soviet Union a simple, one-word message: "Build"—build offensive forces, and build them fast. Maybe they will and maybe they will not. But the stakes are very high if we bet wrong. And the first big loss for the administration would be any chance for designing a workable defense—not because SALT is in and of itself conducive to SDI; far from it. SDI needs very deep reductions. But those reductions have to begin somewhere, and that is precisely why it is folly to counsel discarding SALT when nothing is ready to take its place.

What it comes down to is this: The President has sold us SDI as a way to get out of the offensive arms race, but we are seeing it used as a way to conduct an arms race by other means. And its natural consequence will be an accelerated offensive arms competiton. Time does not permit me to elaborate upon this scheme today, but I plan to do so at some length in subsequent speeches in these series once each day for the foreseeable future.

Thank you, Mr. President.

RECOGNITION OF SENATOR SASSER

The PRESIDING OFFICER. Under the previous order, the Senator from Tennessee [Mr. SASSER] is recognized for not to exceed 5 minutes.

□ 0940

DROUGHT IN TENNESSEE

Mr. SASSER. Mr. President, I rise today to bring attention to a critical problem facing large portions of the Southeastern United States; namely, the region's longest drought in over a century. This problem is especially acute in middle and eastern Tennessee. Rainfall there is already 13.5 inches below average for the year, and forest fires have claimed 56,000 acres of our forest land.

Farmers across the State are extremely worried about the effect of the drought on all crops. In more than 80 percent of Tennessee's counties low soil moistures and dry weather have slowed germination of soybean, sorghum, and cotton crops. The State department of agriculture has estimated a 60-percent decline in the hay crop this year, which has serious implications for our dairy and livestock farmers. Corn and wheat crops have already been affected, and are likely to be 30 to 40 percent below average in yields should rain not come soon.

I hardly need to emphasize the importance of agriculture to Tennessee's economy. The food and fiber industry generates 25 percent of Tennessee's total payroll and employs 1 of every 4 working Tennesseans. Farmers and farm-related industry produce more than $12 billion in annual personal income in our State alone. And farms, together with nonfarm forests, compose more than 80 percent of the State's land base.

I hardly need underscore, either, the difficulties our farmers are facing without the added duress of a drought. In light of this additional hardship, however, I am more committed than ever to finding new avenues to increase our agricultural exports, to ensuring adequate funding for soil and water conservation programs, and for encouraging forbearance for farmers who can relieve their debt load by restructuring their debts. I would also put my colleagues on notice that if this drought continues, large numbers of southern farmers may be in need of emergency disaster loan assistance later this year.

Farmers are unfortunately not the only ones affected. The drought has seriously lowered lake, river, and ground water levels in Tennessee, causing a hydropower production decline that will cost the Tennessee Valley Authority upward of $40 million in operating expenses. Rural communities that depend on surface water for their water supply could face potentially serious supply problems. In this regard, I commend Federal and State water quality officials for beginning the process of developing an emergency water plan. I urge these officials to expedite this process in order to provide Tennesseans with guidelines on how and when to curtail water use.

I add my voice to those urging Tennesseans to conserve water. I also strongly urge farmers to keep good records of their expenditures and receipts should emergency disaster assistance become necessary. The next few weeks will be a very critical period, and a few good rains during this period may mitigate the long-term damage.

However, during the next few weeks, I would urge my colleagues to do, as many of us are doing in the Southeastern United States, pray for rain.

Mr. President, I ask unanimous consent that a column from the Nashville Tennessean outlining the extent of the drought and the efforts to conserve water be included in the RECORD at this point.

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

RATIONING OF WATER POSSIBLE

(By Anne Paine)

Emergency water rationing authority was granted the state health commissioner yesterday to help manage supplies in drought-stricken areas as Gov. Lamar Alexander pressed Tennesseans to conserve the dwindling resource.

The state Water Quality Control Board—declaring Tennessee is facing a water emergency that will probably last through the summer and into the fall—gave Jim Word, commissioner of health and environment, authority to declare when an emergency actually exists as a result of drought.

The action was taken so that "the commissioner may move more quickly to deal with the water emergencies during this drought period," the board's resolution stated.

"It really is a very bad situation," said board member Ann Tidwell, adding that conservation measures are important in the face of the most severe drought conditions on record.

"It is time for Tennesseans to avoid unnecessary use of water: sprinkling lawns, washing cars and other optional uses that are not essential," Alexander said.

"There is not yet a water emergency in Tennessee, but without substantial rainfall soon we are not far away from it. Intelli-

gent, careful use of our water resources will help in the meantime."

In Nashville, watering of Metro-owned golf courses and landscaping will continue for the time being according to James Fyke, director of Metro Parks and Recreation.

"Until we're notified by the mayor or the Department of Water and Sewerage Services, we won't be taking any drastic measures," said Fyke, who added that conservation would be observed as much as possible.

Metro Nashville's water system, which is supplied by the Cumberland River, is not hard pressed because of a lack of water, but rather could experience problems because of heavy usage that strains the purification and pumping system, according to Bill Whitson, director of Metro water and sewerage services.

"Anytime you have a dry period in the summertime, you have a strain on your system from usage," Whitson said, "It's extra bad this year."

The Nashville water system normally pumps about 80 million gallons a day, but over the weekend 120 million gallons were pumped in one day as residents watered lawns and shrubs, washed cars and perhaps even filled swimming pools.

A mechanical breakdown at the Tyne Valley pumping station in Southwest Nashville was probably a result of the strain on the system, Whitson said, adding that other mechanical failures could occur if water usage remains at high levels.

Whitson said his department would decide what conservation measures are needed after a meeting next week with the U.S. Army Corps of Engineers.

In yesterday's resolution that was passed unanimously by the five members present, the Water Quality Control Board gave these priorities to water usage:

Domestic water supply.
Livestock watering and wildlife.
Industrial water supply.
Fish and aquatic life.
Irrigation.
Recreation.
Navigation.

State officials said Tennessee is facing its worst drought in nearly a century of rainfall records, with rain being below normal for almost two years.

"The calendar year 1985 was the driest since records were first kept in 1890," said Elmo Lunn, administrator of water management in the Department of Health and Environment.

"The first four months of this year were the driest on record and the rainfall to date in 1986 has been considerably less than the record in 1985."

Across the state, the rainfall deficit averaged almost 20 inches for 1985 against a normal annual rainfall of about 50 inches. The deficit to date this year stands at about 13.5 inches.

No public water system in Tennessee has reported a shortage at this time, Lunn said, "but it is expected that such conditions could occur in several communities within a few weeks without significant rainfall."

The drought could affect both the amount of water available as well as the quality of water, which is expected in some cases to take a peculiar odor and taste because of algae build-up in reservoirs.

The 30-day weather outlook prepared in Washington, D.C., by the National Weather Service predicts in somewhat higher than normal rainfall for mid-May to mid-June for the state, but it will take major rainfalls to replenish the streams and rivers as well as the water that flows underground.

"For tomorrow [today] and through this week we have a 20% chance of getting some thundershowers," said local Weather Service forecaster Bobby Boyd.

"What we need is something to lift the air." Boyd said, adding that if the moist air rises, it could condense into clouds and rain could form.

Though a cool front moving slowly over Missouri, East Oklahoma and north-central Texas will probably "washout" before it reaches Tennessee, Boyd said, its presence might be enough to force the state's stagnant air upwards.

Yesterday's high in Nashville was 85 and a high in the mid-80s is expected again today, Boyd said.

The drought situation is not yet as critical in West Tennessee as it is in Middle and East Tennessee, officials said. And scattered showers have been reported in some areas across the state.

Last weekend, several areas of West Tennessee received an inch or more of rain. These include Humboldt, Memphis, Alamo, Bolivar and Ripley.

In the past two days, Statesville and Nolensville in Middle Tennessee each reported over an inch of rain, Boyd said.

"Yesterday [Monday] afternoon several thunderstorms were concentrated from Lawrenceburg northeast to Murfreesboro and continuing on to and around Smithville.

"The heavier amounts were reported at 1 to 1.5 inches."

One thunderstorm was reported in northwest Wilson County yesterday near old Hickroy Lake, Boyd said.

SENATOR HAWKINS' SPECIAL ORDER

The PRESIDING OFFICER. Under the previous order, the Senator from Florida is recognized for not to exceed 5 minutes.

The Senator from Kansas is recognized to read Senator HAWKINS' statement.

Mrs. KASSEBAUM. Mr. President, Senator PAULA HAWKINS is still recuperating following surgery. I will read her statement into the RECORD.

Her remarks this morning are entitled: "The American Council on Education Circulates Proposal to Shield Illegal Drug Use by Student Athletes From Drug Testing," and read as follows:

THE AMERICAN COUNCIL ON EDUCATION CIRCULATES PROPOSAL TO SHIELD ILLEGAL DRUG USE BY STUDENT ATHLETES FROM DRUG TESTING

Mrs. HAWKINS. Mr. President, our society's attempt to combat illegal drug use in the high visibility area of athletics, which has so much influence on our Nation's youth, has been threatened with a setback from no less than the American Council on Education. The Council, which is the umbrella association representing over 3,000 U.S. colleges and universities, recently circulated to a selected group of colleges a draft of proposed guidelines on drug testing for college athletes which brazenly states, "It is undesirable to employ drug testing programs as a means of detecting use of recreational drugs, whether their use is legal or illegal, that are not used to enhance athletic performance." This proposal was published in the May 7, 1986 issue of The Chronicle of Higher Education.

Use of the mistaken term "recreational drugs" rather than "illegal drugs" alone gives away the permissive slant of these guidelines which incredibly seem bent on assuring illegal drug users protection from detection while playing intercollegiate athletics.

These guidelines are replete with expansive notions of student rights and privileges and would impose extremely burdensome and unrealistic requirements on our institutions and limitations even for the consent testing for only "performance enhancing" drugs which the guidelines would allow.

Meanwhile, with all this unbalanced emphasis on student rights and privileges, not a word is to be found concerning the student athlete's duties, obligations or responsibilities to themselves, their school, or their society. This in itself is a sad reflection of the educational philosophy being imparted by these A.C.E. draft guidelines. There is also no mention of the compelling public health, safety, public trust or security interests served by a well designed drug testing program for college athletes.

Rather than showing leadership in combatting illegal drug use on our Nation's college campuses, where drug use has reached epidemic proportions, the American Council on Education appears ready to discourage one of the most promising tools to reduce drug use—drug testing for college athletes. This shows how far some segments of our society are from demonstrating the necessary will to take the obvious and available measures which would put a real dent in our drug proglem. It also points up the need for close monitoring of Federal funding requests for postsecondary education when the umbrella organization for our Nation's colleges and universities displays such distaste to reasonable measures to counter drug use.

Despite the Council's apparent unwillingness to acknowledge it, there is obvious cause for concern about drug use on campus, especially in view of recent revelations at this year's National Football League's scouting camp for graduating seniors. Fifty-seven players among the camp's 338 participants reportedly tested positive for illegal drug use. These tests typically only detect drug use in the several days prior to the test. Also, many parents of college students can relate recent horror stories about drug use on campus that they hear from their children.

There is, in fact, an urgent need for the American Council on Education to show leadership in providing drug use prevention and education guidelines to our Nation's colleges and universities. Unfortunately, there is no evidence that it is doing anything of the sort. It is instead proposing to hinder the one promising measure which many of our institutions are adopting with real success in cutting drug use.

We have all watched as professional sports has become a big contributor to our Nation's drug problem, rather than the healthy and wholesome source of inspiration and recreation that it once was. But at least some organizations within the professional sports establishment are trying to do something about the problem. A mandatory drug testing program has been instituted in baseball's minor leagues, for example.

College football and basketball are the minor leagues for those sports. In fact, many college football and basketball stars outshine the pros as idols to our youth. Our Nation's best efforts towards educating our

youth against drug use are undercut when they see their sports idols as drug users.

It would be reassuring to see the American Council on Education coming to grips with the drug problem on our Nation's campuses rather than proposing measures that will keep it under wraps, where it can continue to fester. I sincerely hope that the American Council on Education realizes the damage that these draft guidelines would do to our society's efforts to clean up the demand side of our drug problem, and adopts helpful guidelines on drug testing, or no guidelines at all.

Mrs. KASSEBAUM. 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.

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

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

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.

U.S. INCREASES MILITARY SPENDING MORE RAPIDLY THAN SOVIETS

Mr. PROXMIRE. Mr. President, yesterday, I mentioned on the floor that the United States has built up its military strength more rapidly in the last 10 years than the U.S.S.R. Today, I will document that statement. The President of the United States is the highest authority in our Federal Government. When he speaks, he speaks for our country. As the constitutional Commander in Chief of our military forces, the President speaks with special authority. So we listen carefully when the President compares our military strength with the military strength of the Soviet Union.

That comparison is critical. It is the major factor in congressional determination of how much for our resources we put into our own military buildup. After all, does the President not have close and constant access to our intelligence experts, to the Central Intelligence Agency, [CIA], and to the Defense Intelligence Agency [DIA]? And do those agencies not devote hundreds of millions of dollars to the most minute and detailed scrutiny of every aspect of Soviet military activity?

Do the CIA and the DIA not use the most advanced satellites to detect the testing, the production and the deployment of Soviet weapons and the movement of Soviet troops and military equipment? Do not skilled and carefully trained CIA and DIA specialists carefully analyze every scrap of written material to compile the most exact possible understanding of the strength of the Soviet Army, Navy, and Air Force? Have our intelligence services not kept careful records for years of the changing size, quality, and capability of the Soviet armed forces?

The answer to all these questions is yes, yes, yes, yes. So when the President of the United States speaks, as he has often of late, of a massive, rapidly growing Soviet military threat, is he not giving an accurate report? The answer is shocking. The answer is that he is not giving an accurate report.

Do you say, now just a minute, Senator PROXMIRE; you have just told us the President has special and constant access to the reports of a CIA and a DIA that keep painstakingly detailed records on Soviet military force. So when the President tells us of a massive, long-term Soviet military buildup, does he not speak with all the authority of American intelligence agencies that know precisely what they are talking about? Well, Mr. President, get ready for a shock. Because the answer is: No, the President of the United States, in speaking of a Soviet military buildup, is not, I repeat not—that's n-o-t—not speaking with the authority of American intelligence agencies when he talks of a Soviet military buildup.

Last month, the CIA and the DIA testified before a Joint Economic Committee subcommittee. I chaired that hearing. What did their testimony show on the record for the last 10 years? Let's put the testimony in perspective. Between 1975 and 1985, total U.S. military spending increased by 3½ percent per year on the average. According to the American intelligence agencies, Soviet military spending poked along at a 2-percent rate of increase. So overall Soviet military spending actually moved ahead about one-half as fast as American military spending.

How about the rate of procurement of military weapons? In the past 10 years, American weapons procurement raced ahead by 7.6 percent. Soviet weapons acquisition ambled sleepily along with only a 1-percent increase. Some Soviet buildup. For the past 10 years, the United States increased its weapons buildup more than seven times faster than the Soviets.

In the past 5 years, the contrast has been sharper. Although much of the Soviets' military spending had to go into its war with Afghanistan, the Soviets, according to the CIA, continued in spite of the drain of the Afghanistan war to increase spending at only the same 2-percent rate they had established since 1975. Meanwhile, since 1981, overall United States military spending increased by a whopping 7.2 percent—more than three times as fast as Soviet overall military spending.

How about military procurement? In procurement the Soviets showed no change in their percent annual rate of increase since 1981, according to the CIA. But the United States? Listen to this: The United States has increased its military procurement by a smashing 13.3 percent since 1981. That means we have stepped up weapons acquisitions a remarkable 13 times—I repeat, 13 times—faster than the Soviets.

The DIA figures for the Soviets show a different rate of increase for the Soviets in military procurement than the CIA in 1983 and 1984. The DIA estimates a 3 to 4 percent Soviet increase in those 2 years. Still, at most, the Soviets achieved only one-third of the increase in United States procurement. Also, the DIA only measures 70 percent of the Soviet's procurement. The CIA measures all of the Soviet weapons acquisition.

So the CIA figures are likely on that basis to be more comprehensive and more accurate. They show, as I say, 13 times as high an increase for American military procurement as for the Soviet.

So what do the cold, hard facts on United States and Soviet military spending over the past 10 years tell us? They tell us the Russians are not 10 feet tall. They tell us the Soviet economy, which is only about half the size of the American economy, and the Soviet technology that is far behind the American technology has slowed the Soviet military buildup in the past 10 years. Of course, it is true the Soviet Union has a formidable military force. But there is no basis, none, for the contention that the Soviet Union is rushing ahead to build a stronger military force than the United States. The facts are exactly the opposite. It is the United States that has built up both its overall military strength and its arsenal of weapons far more rapidly than the Soviet Union.

□ 1000

I have a little chart here, a picture, caricature, which shows the Soviets as smaller than the United States, and that is the case. We should keep that in mind. The United States military force is bigger, stronger, more efficient, more effective than the Soviet Union.

THE MYTH OF THE DAY: COLLEGE ENROLLMENT IS DROPPING FOLLOWING THE BABY BOOM

Mr. PROXMIRE. Mr. President, the myth of the day is that the decline in the high school population has resulted in a decline in college enrollment.

In fact, the long predicted decline as the last of the baby boom children went to college has not come to pass as educators and demographers had long predicted.

How can that be?

Just look at this chart. While students in the 18 to 24 age bracket began their long-predicted descent in 1982 and will continue to decline over the 1983-93 period represented by this chart, a new phenomenon has taken place.

Adults over age 35 are returning to our Nation's campuses and total campus enrollment has continued to rise. Over the period represented by this chart, the number of adults enrolled on campus will increase nearly 36 percent from 1.7 million in 1983 to 2.3 million in 1993—and a steady 15 percent of them will be enrolled full time.

Now, over time there is no question that overall college enrollment will decline—perhaps as much as 6 percent from 1983 to 1993. But the return to education by adults has baffled the demographers who predicted that we would already be in a period of decline.

And that investment in our human resources is a good sign for society.

I ask unanimous consent that an article outlining this development be printed in the RECORD.

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

COLLEGE ENROLLMENT ON THE BRINK OF DECLINE

College enrollments continue to baffle the bureaucrats, demographers included. Projections of the traditional college-aged population have long signaled a decline in college enrollments. Though fewer than one in three people aged 18 to 24 attend college, they represent 58 percent of college students. That group began its demographic descent, according to Census Bureau estimates, in 1982. But college enrollment has continued to increase, though at a reduced rate.

Since 1981, the rising number of older college students has offset declines in students under age 25. The rise in the number of women in college has offset a decline in men. And surprisingly, the number of full-time students has continued to increase, while the number of part-time students has remained nearly stable.

The National Center for Education Statistics' projections of college enrollments continue to show declines, however: Total enrollment should fall by 6.3 percent by 1993. The NCES projects that the number of college men aged 18 to 24 will decline 18 percent by 1993, while college women in that age group will decline by 21 percent. Colleges will lose 1.4 million students aged 18 to 24.

The number of students aged 25 to 29, now 16 percent of all students, should decline by 8 percent, a loss of 160,000 students, according to NCES. Students aged 30 and older, now 24 percent of all students, should increase by 27 percent to represent one out of every three students by 1993. Colleges will gain over 800,000 of these older students.

Some colleges, of course, are already feeling the pinch and are retrenching by reducing their faculties. The National Center for Education Statistics expects colleges to employ 67,000 fewer professors in 1993, a 10 percent cut.

ENROLLMENT IN HIGHER EDUCATION BY AGE AND SEX: 1983-93

[In thousands]

Age and sex	1983		1988		1993		Percent change 1983-93
	Number	Percent full-time	Number	Percent full-time	Number	Percent full-time	
Total	12,465	57.1	12,141	53.9	11,676	51.7	−6.3
14 to 17	214	89.2	213	89.7	183	89.6	−14.5
18 to 19	2,710	88.3	2,439	88.3	2,121	88.3	−21.7
20 to 21	2,392	82.9	2,023	82.7	1,888	82.8	−21.1
22 to 24	2,086	59.9	1,860	59.9	1,762	59.9	−15.5
25 to 29	2,032	36.4	2,110	36.4	1,870	36.4	−8.0
30 to 34	1,314	23.1	1,459	23.1	1,521	23.1	15.8
35 plus	1,716	14.8	2,037	14.9	2,329	14.9	35.7
Men	6,024	61.2	5,909	58.2	5,641	56.3	−6.4
14 to 17	91	87.0	92	87.0	79	86.1	−13.2
18 to 19	1,283	89.2	1,171	89.2	1,019	89.3	−20.6
20 to 21	1,205	84.8	1,033	84.6	966	84.7	−19.8
22 to 24	1,148	65.3	1,041	65.1	988	65.2	−13.9
25 to 29	1,087	40.3	1,150	40.3	1,022	40.3	−6.0
30 to 34	597	27.4	676	27.5	710	27.5	18.9
35 plus	613	14.7	744	14.8	855	14.7	39.5
Women	6,441	53.1	6,232	49.8	6,035	47.4	−6.3
14 to 17	123	91.7	121	90.9	104	91.3	−15.4
18 to 19	1,427	87.4	1,266	87.5	1,101	87.5	−22.8
20 to 21	1,187	80.9	989	80.9	922	80.8	−22.3
22 to 24	938	53.3	818	53.3	773	53.3	−17.6
25 to 29	945	31.7	960	31.7	849	31.7	−10.2
30 to 34	717	19.2	782	19.2	812	19.2	13.2
35 plus	1,103	14.9	1,294	14.9	1,474	14.9	33.6

Source: National Center for Education Statistics.

NUCLEAR WASTE REPOSITORY SITE SELECTION: THE PSYCHOLOGICAL TOLL

Mr. PROXMIRE. Mr. President, this Sunday's New York Times Magazine contains a very affecting article by Joyce Maynard describing the reactions of her small New Hampshire town, a possible location for a nuclear waste dump.

Much has already been written concerning the scientific and technical aspects of the Department of Energy's Radioactive Waste Program. This article deals with another even more serious side of the process, the effect on the community where the waste dump might be located.

As Ms. Maynard aptly points out, DOE does not consider the social, economic and emotional well-being of a dump site's neighbors when placing communities on its list of potential waste repositories. Yet, the wrenching psychological impact of potential nuclear peril and the long lead time before DOE chooses the final dump site combine to seriously disturb the tranquility of scores of American communities.

One of Ms. Maynard's most telling anecdotes concerns her own small son, troubled by nightmares of nuclear explosions, who confused the town dump with a nuclear waste dump and feared its explosion.

Her neighbors worry about loss of property values or, even worse, loss of a complete way of life.

Why are those emotional consequences of potential site designations important? The reason is simple. DOE has frightened over 2 dozen regions of the United States with a nuclear sword of Damocles. Those areas eligible for selection as a second repository now face over 10 years of uncertainty before they know their fate. Just one of these areas, the Wolf River Batholith in Wisconsin, contains over 1,000 square miles.

Why do I dwell on the emotional toll uncertainty brings to the affected communities? Because none of this suffering is necessary for second round sites. We do not need a second repository and we never did. It is time to eliminate the search for a second repository and relieve the stress on those at risk.

I suggest the absence of a quorum.

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

The bill clerk proceeded to call the roll.

□ 1040

Mr. METZENBAUM. 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. There will now be a period for the transaction of routine morning business.

THE CRANBERRY INDUSTRY: AN AGRICULTURAL SUCCESS STORY

Mr. KASTEN. Mr. President, the cranberry industry is one in which Wisconsin takes great pride. Forced to the ropes by a contamination scare a quarter century ago, the industry has rebounded in spectacular fashion.

Through marketing research, product innovation, and plain, old-fashioned hustle in the marketplace, the cranberry industry now provides a dependable income for many cranberry growers, jobs for hundreds of workers, and many nutritious juice and other products for the American public. Wisconsin, which with Massachusetts produces most of America's cranberries, has benefited greatly from the industry's growth.

I rise today to commend the industry and the Ocean Spray cooperative in particular on setting an example for American business in general and American agriculture especially. New product development and aggressive marketing is vital to the future prosperity of every single American farmer. Ocean Spray has demonstrated that there is opportunity in agriculture if only people are prepared to recognize it.

Mr. President, I commend to my colleague's attention an article in the most recent issue of Farm Futures magazine that gives an outline about

how the cranberry industry has grown and prospered. I ask unanimous consent that the text of the article appear in the RECORD.

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

OF CATTLE AND CRANBERRIES

(By Barbara Dietrich)

Not long ago, cranberry growers' balance sheets were as red as their crop. They struggled under low prices and tons of surplus berries.

But members of the Ocean Spray Cranberries Inc., the growers cooperative that produces about 80% of the cranberries sold in the U.S., didn't let their industry wither on the vine.

They decided that there was nothing wrong with the cranberry that a little imagination couldn't solve. Ocean Spray found new uses for the cranberry, and brought in talent from such corporate marketing giants as Philip Morris Cos. and PepsiCo to promote them.

The little-known cranberry, once thought to cause cancer, was reborn the source of a line of health drinks. Launched by the slogan "It's good for you, America," Ocean Spray juices and related products restored profitability to the ailing industry and pushed the co-op into the Fortune 500 list of the nation's largest corporations.

"Ocean Spray shows what marketing your own product can do," says Mel Potter, a Bancroft, WI, cranberry grower who also raises cattle. It's a lesson in producing profitably that he thinks cattlemen would do well to copy.

They clearly need some lesson. The typical catle producer lost about $20 on every beef animal sold in 1985. Cranberry growers, 80% of whom live in Wisconsin or Massachusetts, made about $1,000 an acre.

Cranberry growers accomplished this by overcoming the plagues of seasonal demand and huge surpluses that sickened the market after World War II, when the U.S. government quit buying the cheap, plentiful fruit.

There is no plague, however, to match a cancer scare. Just before Thanksgiving of 1959, federal officials warned that some West Coast berries were contaminated with the herbicide aminotriazole, a chemical reported to have caused thyroid cancer in laboratory rats. Every cranberry in the country became suspect. Sales crashed, and prices followed.

BURIED CRANBERRIES

"Our storehouse was full right to the doors," says Clark Griffith, a South Carver, MA, grower. "We had to bury cranberries because it was too costly to freeze or store them."

The government eventually paid growers $8 for each barrel of uncontaminated berries they had destroyed. Reverberations from the cancers scare squashed the cranberry market for the next few years, but some growers now call the incident a blessing in disguise.

It forced them to look beyond sauce and fresh fruit, industry mainstays at that time. So tarnished was the berry's reputation that "we were jolted into trying to find another use for our crop," says Jay Normington, a City Point, WI, Ocean Spray grower.

But it was a painful search, which cost members dearly in earnings plowed back into the cooperative rather than taken out as badly needed cash dividends. They also had to swallow the advice of professional management. "That's tough for farmers to do," notes Paul Morse, a Rochester, MA, grower.

It was made tougher when their efforts got off to a rocky start. Attempts to promote cranberries as more than a holiday curiosity flopped. And sales of Cranberry Juice Cocktail, reformulated from the tart drink growers had enjoyed since the 1930's, were so slow that "you could hardly give it away," says Tomah, WI, grower-member Bruce Potter.

NEW MANAGEMENT TEAM

A new course was plotted for Ocean Spray after Hal Thorkilsen became president in 1972. Thorkilsen had been wooed to the co-op's Plymouth, MA, headquarters four years earlier from Philip Morris, maker of Marlboro and Virginia Slims. Now he laid his plan on the boardroom table.

Cranberry sauce was fine, he told members, but juices were the path to profitability. "It was not a popular recommendation," Thorkilsen recounts. "And it would take substantial investment."

Once again, growers reinvested profits and incurred substantial debt. They expanded processing plants and poured money into promoting cranberry juice. Ocean Spray's 800 members now spend $14 million a year on advertising and promotions. That compares to the Beef Industry Council's $10.7 million, spread among 1.2 million cattle producers.

Ocean Spray's market research revealed consumers' interest in "natural" products when that interest was still budding. "There's no question that with the juices' glass bottle, no artificial ingredients and aura of healthfulness, they were going to appeal to consumers," says Edward Gelsthorpe, a one-time president of Ocean Spray and now president of H.P. Hood Inc., a dairy, citrus, and cheese processing company.

Ocean Spray's 14 juices—including Cranapple and Cran-Raspberry—now comprise about 70% of its $540 million annual sales. Since 1979, Ocean Spray has been the biggest U.S. seller of canned and bottled juice drinks.

Neither general success nor the occasional failure—such as its "Cranprune" juice, flushed in 1980—has turned Ocean Spray conservative. Ocean Spray helped pioneer the "paper bottle," an aseptic container that's become the rage of the lunch-box crowd. It introduced the first shelf-stable liquid concentrate earlier this year. And it plans to add a cran-blueberry juice to its line of mixed fruit beverages this summer.

A shift in marketing strategy from bulk commodities to "value-added" products has been one key to Ocean Spray's turnaround. "Management knew we had to put a product on the shelf that consumers could identify a brand name with," says Paul Jonjak, a Wascott, WI, cranberry grower.

SUPPLY MANAGEMENT

Controlling supplies of cranberries has been another factor, a built-in advantage of Ocean Spray's cooperative structure.

Ocean Spray contracts for a specified number of acres with each member. Unless a grower has failed to comply, the contracts are renewed every three years. That guarantees a market for growers.

Members must apply to the board of directors, composed of 25 growers, if they want to expand contracted acreage. Ocean Spray has never cut its total number of acres, but this year the co-op is not granting any new acres.

Another advantage: Besides controlling production, Ocean Spray also owns 84% of the U.S. cranberry processing capacity. The co-op can control its products from grower to consumer. "The typical food processor tries to keep payments to farmers down to increase return to stock-holders," Jonjak says. "We *are* the stockholders, and we recognize that things work best when working for mutual benefit."

The cooperative is not a flawless organization, however. "It's a democracy, and the farmer has to give up some of his independence," says Paul Morse, the Massachusetts grower. Ocean Spray members are generally content, though, and the figures tell why. The juice revolution helped boost growers' cash prices from below 15 cents a pound in the early 1970s to more than 40 cents recently.

"Ocean Spray has become so successful, I'm probably making more now than I ever have," says Jay Normington, the City Point, WI, grower. "With an innovative management that's constantly trying new products, it's going to keep getting better."

WORLD BANK LOAN TO ARGENTINA

Mr. HEFLIN. Mr. President, I recently received a news release from the World Bank that stated:

> Argentina is launching the first phase of a comprehensive reform program designed to increase agricultural production and exports with the help of a World Bank loan of $350 million.

It appears that the World Bank is very concerned that Argentina's agricultural sector has been unable to reach its growth potential despite technological advances provided by the United States Government agencies has despite the existence of a well developed input distribution system developed and funded by Americans. The strength of the dollar has also given the Argentines an advantage in a highly competitive marketing environment.

According to the World Bank this loan will give greater incentives to Argentine farmers to adapt more new technologies and further increase agricultural production and increase major farm exports of wheat, corn, sorghum, soybeans, and sunflowers.

Mr. President, I am deeply disturbed by this announcement. What really troubles me about the loan is that the present American administration was reportedly the driving force behind the loan. This loan is generally regarded as part of the initiative Treasury Secretary James Baker is supporting in Latin America.

For the life of me, I cannot understand why this administration is so callous toward our Southern farmers, especially during a time when these family farmers are facing so many elements that they have no control over, such as low commodity prices, a lack of credit, and the worst drought in 104 years. Such actions infuriate me when our deficit is partially caused by tax

dollars that subsidize countries in direct competition with American farmers.

The loan made by the World Bank, which was reportedly arranged with U.S. Government leadership, includes conditions requiring Argentina to lower its export taxes on several agricultural commodities. I have seen estimates that the reduced export taxes would lead to a $1 billion increase in annual Argentine agricultural exports by 1989.

As you well know, Mr. President, Argentina is the second largest export competitor with the United States in soybean and soybean products. To export its soybeans and soybean products, Argentina pursues a policy of cut-rate pricing and direct subsidies to the soybean processors. During the past year, Argentina has sold soybeans as much as $20 per metric ton below United States soybeans and has sold soybean oil as much as $100 per metric ton below United States soy oil. Argentina has taken away United States markets in India, Pakistan, Europe, Latin America, and elsewhere.

Argentina has been able to undercut United States prices and flood the world markets by directly subsidizing those firms that process and export soybeans. These subsidies are financed with export taxes levied on soybean farmers in Argentina. If Argentina lowers the export tax from its current 28.5 percent to 15 percent, as required under the conditions of this loan, the return to the farmers will be about 71 cents per bushel higher than before. It is obvious that the World Bank loan will further subsidize and raise farmer income which will be an incentive for increased productions and exports by Argentina.

The Department of Agriculture publicly stated on numerous occasions last year, as Congress considered the farm bill, that it was in the best interest of the United States to legislate lower loan rates and market prices that the Southern farmer receives. If the American's farmer price was lowered, the United States would again be competitive in world markets was stated over and over again by this administration.

As I see it, the Treasury Department and the Republican administration has chosen to support Argentine farmers at the expense of United States farmers. The administration suggested that a reduction in commodity prices received by United States farmers was good policy, but the administration supports increasing the prices received by Argentine farmers.

I did not buy the first argument set forth by the administration as evidence by my voting against the farm bill. I can assure you that I do not buy this argument either.

Mr. President, I believe the American farmer deserves an explanation of the administration's justification for this loan. I think our farmers need to know why they have had any opportunity for future profitability sacrificed for the sake of the Argentine farmers.

Mr. President, at this point in my statement, I ask unanimous consent to have printed in the RECORD an editorial that appeared recently in the Southeast Farm Press. I wish my colleagues would take the time to read these words of wisdom.

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

[From the Southeast Farm Press, Apr. 2, 1986]

AMERICAN FARMERS . . . FIRST

(By Joe Williamson)

Probably no other country in the world, and certainly no individual industry, has a systematic government-sponsored program utilizing the resources of a public agency, working in behalf of its foreign competition like American agriculture faces with its U.S. Department of Agriculture.

True, developing countries need help in establishing an agricultural base to feed their own people. Trouble is, have we gone too far with some of our aid programs?

U.S. farmers are expected to compete globally in the export markets, which they can do if given an even break. But if our government continues to give away our agricultural technology, how long can our own farmers survive?

We have shared our expertise in cotton production with many countries which are even now flooding us with their textiles and apparel made from their own home-grown cotton. We have exported our technology in soybean production to countries which now compete with us on the world market to the detriment of our own farmers. And on and on.

USDA international programs involved over 110 countries this past year alone. Purpose of the aid program is said to "share U.S. agricultural technology and management expertise with developing and 'middle' income countries ."

Interesting to note that participation included such nations as Portugal, South Korea, Japan, China, Mexico, Turkey, Brazil, Argentina, Greece, Egypt, Spain, France and Iran.

Middle income?

As any Southern or Midwestern soybean grower knows, Brazil and Argentina have become two of this country's biggest competitors on world markets (with our help) and nations like China have skyrocketed to the top in cotton production.

As one ag organization official puts it, there must be a middle ground where the transfer of technology to market competitors "will not result in the decimation of U.S. agriculture."

One of the great things about America is the compassion of its people for others. Nations that are still in a "developing status" may well need our technological assistance to help feed its people. None of us would deny a helping hand to the hungry. But we have to question the degree of assistance given to some of what our government calls "middle income" countries.

American farms exports are at a pitifully low level. And although there may be some other reasons, there is no denying the fact that increased competition in the export market from countries receiving the benefit of our nation's technology transfer is partly responsible, also.

Who comes first? The American farmer or "middle income" nations and even viciously anti-American countries like Iran?

A reassessment of our role in this respect is in order and long overdue. Our farmers have to feed themselves before they begin feeding the world.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Morning business is closed.

PHARMACEUTICAL EXPORT AMENDMENTS OF 1986

The PRESIDING OFFICER. The clerk will report the pending business.

The assistant legislative clerk read as follows:

A bill (S. 1848) to amend the Federal Food, Drug, and Cosmetic Act to establish conditions for the export of drugs.

The Senate resumed consideration of the bill.

AMENDMENT NO. 1955

(Purpose: To require the Office of Technology Assessment to conduct a study on the labeling of drugs sold in foreign countries)

Mr. METZENBAUM. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Ohio [Mr. METZENBAUM] proposes an amendment numbered 1955.

Mr. METZENBAUM. 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:

At the end of the bill, add the following:

SEC. 9. (a) Within 6 months after the date of enactment of this Act, the Director of the Office of Technology Assessment shall prepare and transmit to the Congress a report containing the findings and conclusions of the study required by subsection (b).

(b) The Director of the Office of Technology Assessment shall conduct a study on the labeling of drugs sold in the United States and the labeling of drugs sold by United States manufacturers in the foreign countries specified in subsection (c). The study shall—

(1) compare—

(A) the labeling approved for drugs under the Federal Food, Drug, and Cosmetic Act or the Public Health Service Act;

(B) the labeling approved by the governments of the countries specified in section 4 of this Act for drugs sold by United States manufacturers; and

(C) the labeling used for drugs sold by United States manufacturers in the foreign countries specified in subsection (c);

(2) analyze, in the case of a drug which is approved for use in the United States—

(A) whether there are any differences between the labeling approved for the drug in

the United States and the labeling used for the drug in the foreign countries specified in subsection (c); and

(B) in the case of any such differences, whether such differences are based on valid scientific evidence, including clinical trials;

(3) analyze, in the case of a drug which is sold by a United States manufacturer and which is not approved for use in the United States—

(A) whether there are any differences between the labeling approved for the drug by the governments of the countries specified in section 4 of this Act and the labeling used for the drug in the foreign countries specified in subsection (c);

(B) in the case of any such differences, whether such differences are based on valid scientific evidence, including clinical trials; and

(C) whether the labeling of the drug used in the foreign countries specified in subsection (c) is based on valid scientific evidence, including clinical trials.

(c) The study required by this section shall include an analysis of the labeling of drugs in the following countries:

Chile.
Egypt.
Greece.
Malaysia.
Mexico.
Nigeria.
Panama.
South Korea.
Tanzania.
Thailand.
Turkey.

Any other country which the Director of the Office of Technology Assessment considers appropriate and which is not a country specified in section 4 of this Act.

(d) The Secretary of State shall assist the Director of the Office of Technology Assessment in conducting the study required by this section by obtaining, through United States embassies in the countries with respect to which the study is conducted, the labeling of drugs sold in such countries by United States manufacturers.

(e) For purposes of this section:

(1) The term "drug" means—

(A) a drug (as such term is defined in section 201(g) of the Federal Food, Drug, and Cosmetic Act);

(B) an antibiotic subject to section 507 of such Act; and

(C) a biological product subject to section 351 of the Public Health Service Act.

(2) The term "labeling" has the same meaning as is prescribed by section 201(m) of the Federal Food, Drug, and Cosmetic Act, except for purposes of this section, such term only includes the parts of the labeling which relate to indications for use, contraindications, warnings, and adverse reactions.

Mr. METZENBAUM. Mr. President, we all know the importance of effective and meaningful labeling of drugs. Drugs can cause great good, as well as grave harm, and labels protect the consumers by alerting them of potential adverse reactions and contraindications. Our FDA requires warnings on drugs for the purpose of alerting the physician and the ultimate consumer of dangerous side effects and hazards. As everyone knows, the label itself is a key to safe drug use. Safety and effectiveness is judged by the adequacy of the label. A drug lacking a proper label turns a safe drug into a dangerous one. Our own FDA will not approve a drug unless it has adequate labeling.

As recently as last evening I was having dinner with a woman, a lady, my wife, and another party. And this woman told me about how her husband had taken a drug. The drug was not adequately labeled. He had then eaten some fish. The fish and the drug did not work well together. It caused her husband to have a stroke, and she lost her husband. He died.

What we are talking about on this amendment is not to provide for mandatory labeling. The purpose of this amendment is to ask the Office of Technology Assessment to make a study of labels with respect to drugs sold in this country and drugs that are being sold overseas. There is no enforcement provision if they find that the drugs are mislabeled. There is no provision about suspending the sales. There is no penalty. It is a matter of finding what the facts are.

I, therefore, say to those of my colleagues who have not been receptive for many other amendments that had some teeth in them this amendment does not have any teeth in it. But it will at least provide us with the information that we need in order to find out what the facts are with respect to drugs being sold overseas by the U.S. manufacturers.

For example, in the United States the drug lomotil which is produced by Searle for treating symptoms of diarrhea, carries the following warning:

It is not an innocuous drug and dosage recommendations should be strictly adhered to, especially in children.

In other words, they are saying on the label this is a drug that is important; this drug, if taken in too great quantity, can be a problem; this drug is particularly dangerous, as far as children are concerned.

Lomotil has been recognized as a dangerous drug for children since 1975. In fact the World Health Organization has warned that these drugs can be fatal if used by infants. By 1981, Searle agreed to restrict the use of its product world wide to children over 2 years of age. Yet, in Peru, lomotil was sold over the counter with no warnings or directions for use. Such an omission of the danger comprises a real health threat to children.

It is well known that labels vary widely from country to country. Obviously, this bill can't reach the practices of foreign drug firms. There is no effort to do so. But we would not wish to encourage our own drug companies to engage in mislabeling which threaten the health and safety of consumers abroad. We need to know more about the various labeling practices of U.S. firms from country to country in order to adequately frame a coherent drug export policy.

My amendment proposes that the Office of Technology Assessment study the labeling practices of U.S. firms abroad in several developing countries.

My amendment would define the parameters of the study by OTA. The study should compare the labeling of drugs sold in the list of named countries to the labeling approved for such drugs under the Food, Drug, and Cosmetic Act and the Public Service Act. Additionally, where the labeling of such drugs is not approved, the OTA must determine whether the labeling is based on valid scientific evidence and clinical trials.

Finally, my amendment would require that the State Department enlist our Embassies support in obtaining the labels available to doctors, pharmacies, and consumers as well.

□ 1050

This amendment, though essential, is the most innocuous that I will be offering today. As my colleagues know, there have been studies many times to avoid taking action. This one should not be a difficult vote. I had really hoped that the manager of the bill would see fit to accept this amendment. I had actually indicated that I was willing to modify it in any way that he would find acceptable, but I have not been able to prevail upon him to do so. The Pharmaceutical Manufacturers Association does not want it.

If they do not want it, then we cannot have it. I think that the U.S. Senate ought to indicate today that they are willing to adopt an amendment even if the PMA does not want it in order to provide the information that is necessary to determine whether or not the labeling being done overseas is in accordance with the facts.

The PRESIDING OFFICER. The Senator from Utah.

Mr. HATCH. Mr. President, I happen to be a member of the Office of Technology Assessment Board, made up of Members of the House and Senate, which oversees the Office of Technology Assessment. The Senator is asking them to conduct this study for only one reason. The Senator hates this bill. He is the only one that I know of in the Senate who does. He will do anything to try to scuttle this bill.

Such a study, if conducted, would be done pursuant to a mandate by the U.S. Senate telling the Office of Technology Assessment what they must do and order it.

This is not proper procedure. The appropriate manner is for an interested Senator or committee writes a letter to the Office of Technology Assessment and asks for a study to be done. Not by mandating. If you mandate from this floor on one issue, you

will do it with thousands of things that will become political footballs.

First of all, OTA studies are very important. They are used as a basis for future legislation. They are used as a basis for more regulation. They are used as a basis to resolve conflicts. There are no conflicts or problems here.

No. 1, the study that the Senator is calling for in this amendment would assume that if foreign labels are different from U.S. labels, something is wrong.

Well, that is not so. We have required approval by an FDA equivalent country, that is, a country that has a drug approval process as good as the FDA. I might parenthetically comment here that despite the fact that we saddle FDA with onerous burdens, pay them little, give them poor facilities, we have managed to attract some excellent people who are dedicated public servants. And I have a high regard for them.

It is not right to assume that if foreign labels are different from U.S. labels something is wrong. I think it is an arrogant assumption. There are some differences among foreign countries, and foreign labels are just as important as ours.

No. 2, FDA would have to delve into the ground for labels, including clinical studies, and try to second-guess foreign label requirements.

This is a job that would take $10 million to do right, and we do not have much more money than that in the whole OTA. And this is the reason we do not want political mandates like this given to the Office of Technology Assessment, ignoring and bypassing a strong, bipartisan board, which works very well.

This amendment would include clinical studies. It would try to second-guess foreign label requirements.

The Senator is moaning and groaning because he thinks no other country in the world can match our FDA. Now he is telling a body that is put together by the Congress of the United States to give us some knowledge, to do some studies to overview everything the FDA does, and not only FDA, but every foreign country involved.

We do not have that kind of money in the Office of Technology Assessment to pay for this kind of competence.

What gives us the right to dictate to every country in the world what they should or should not do? This amendment is not to make the bill better, it is not to improve it, it is not to amend it so that if there are defects they will be corrected. Its sole purpose is to defeat the bill, to once again scuttle this bill.

Are we to try to start extending U.S. labeling authority to foreign countries? Is that what we are going to do? That is what the import of the Senator's amendment would require, assuming we have enough money for OTA to do a really good study by acquiring the type of technology assessment in food and drug, especially the drug area, that even FDA does not exercise at this point. That is ridiculous.

Sometime we have to just start realizing that you can draft amendments so they look good, but eventually you have to look behind them and realize how ridiculous they are.

What this amendment aims at is extending U.S. labeling authority into foreign countries in derogation of their own rights and their own intelligence and their own abilities.

We are not talking about drugs that under current law are dangerous yet are exported all over the world because nobody stops their export. We are talking about drugs that will have been approved by an FDA equivalent country, a country that has as good a drug approval process as ours. The only difference is they, for whatever reason, have approved a drug more quickly than our FDA has. They are as thorough and efficient as FDA.

This bill provides that once a drug is approved by the Food and Drug Administration, a domestic manufacturer does not have to go to a foreign country to set up his own facility and import those drugs into our country when we could have had them here to begin with, manufactured by good American labor with the balance of payments and our protections for American labor intact. This bill provides this without endangering consumers foreign or domestic.

There are not many bills that could make the claim that this bill really effectively makes.

It effectively makes the claim to save U.S. jobs, to bring jobs back; to stop the erosion of biotechnology and other innovative leaders from going to foreign lands because we generally have to lease foreign companies or move our business offshore.

It stops the balance of payments loss up to a half billion or more dollars per year, something that we in this country understand right now with our in excess of $100 billion balance-of-payments loss. It basically keeps America preeminent in the field of pharmaceuticals.

I believe this amendment is here for only one reason, as all the Senator's amendments are, to try to kill this bill. I hope my colleagues realize that.

This is an important bill. If we want to do anything about trade problems, this is one of the first sound bills that does not involve protectionism. Instead, it involves incentives for U.S. businesses to come back to America, to create these jobs here, to keep the biotechnology here rather than reimport from our own American companies because they had to go offshore because of current law. It also stops, it seems to me, dishonest companies that are offshore, disseminating goods all over the world including Third World countries, as they can do under current law.

For the life of me, I cannot understand it. Senator METZENBAUM claims to be a consumer advocate, and I really believe he is, yet he cannot see the value of this bill as so many other Senators do.

Be that as it may, this amendment is detrimental. It undermines OTA and its purposes by passing it.

□ 1100

To mandate a study on an issue like this is slapping foreign governments in the face and, at the same time, creating a loss of U.S. jobs.

Unless the distinguished Senator has any further comments, Mr. President——

Mr. METZENBAUM. I thank the Senator.

Mr. President.

The PRESIDING OFFICER. The Senator from Ohio.

Mr. METZENBAUM. Mr. President, as I understand the argument of the Senator from Idaho, it is that if you change a comma in this bill, you will kill it. Every amendment is a killer amendment. What can be a killer amendment about asking the OTA to make a study, make a determination? I just do not understand this whole concept that everything is going to kill it and it is going to cost jobs. Frankly, Mr. President, I have to call that hogwash because it does not ring accurate.

Yes, the Pharmaceutical Manufacturers of America may not like it. But really, are we doing anything that significant, that serious, when we are asking that the Office of Technology Assessment make a comparison between labeling overseas and labeling here, in this country? Mr. President, I just cannot buy that.

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

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

Mr. METZENBAUM. Mr. President, I am prepared to vote.

Mr. HATCH. Mr. President, I move to lay the amendment on the table. 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.

The PRESIDING OFFICER. The question is on agreeing to the motion

of the Senator from Idaho [Mr. HATCH]. The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. SIMPSON. I announce that the Senator from Colorado [Mr. ARMSTRONG], the Senator from New York [Mr. D'AMATO], the Senator from Florida [Mrs. HAWKINS], the Senator from New Hampshire [Mr. HUMPHREY], the Senator from Idaho [Mr. MCCLURE], the Senator from Oregon [Mr. PACKWOOD], and the Senator from Connecticut [Mr. WEICKER] are necessarily absent.

Mr. CRANSTON. I announce that the Senator from Ohio [Mr. GLENN] and the Senator from Hawaii [Mr. MATSUNAGA] are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 62, nays 29—as follows:

[Rollcall Vote No. 98 Leg.]

YEAS—62

Abdnor	Garn	McConnell
Andrews	Goldwater	Murkowski
Bingaman	Gorton	Nickles
Boren	Gramm	Nunn
Boschwitz	Grassley	Pell
Bumpers	Hatch	Pressler
Chafee	Hatfield	Quayle
Cochran	Hecht	Roth
Cohen	Heflin	Rudman
Danforth	Heinz	Simpson
DeConcini	Helms	Stafford
Denton	Hollings	Stennis
Dixon	Inouye	Stevens
Dodd	Johnston	Symms
Dole	Kassebaum	Thurmond
Domenici	Kasten	Trible
Durenberger	Lautenberg	Wallop
Eagleton	Laxalt	Warner
East	Long	Wilson
Evans	Lugar	Zorinsky
Ford	Mattingly	

NAYS—29

Baucus	Harkin	Moynihan
Bentsen	Hart	Proxmire
Biden	Kennedy	Pryor
Bradley	Kerry	Riegle
Burdick	Leahy	Rockefeller
Byrd	Levin	Sarbanes
Chiles	Mathias	Sasser
Cranston	Melcher	Simon
Exon	Metzenbaum	Specter
Gore	Mitchell	

NOT VOTING—9

Armstrong	Hawkins	McClure
D'Amato	Humphrey	Packwood
Glenn	Matsunaga	Weicker

So the motion to lay on the table amendment No. 1955 was agreed to.

□ 1130

AMENDMENT NO. 1956

(Purpose: To establish the Food and Drug Administration by law, and for other purposes)

Mr. GORE. Mr. President, I have an amendment which I send to the desk.

The PRESIDING OFFICER. The clerk will report the amendment and the Senate will be in order.

The legislative clerk read as follows:

The Senator from Tennessee [Mr. GORE] for himself and Mr. HEINZ proposes an amendment numbered 1956.

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

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

The amendment is as follows:

At the end, add the following:

SEC. 9. (a) There is established in the Department of Health and Human Services the Food and Drug Administration (hereinafter in this subsection referred to as the "Administration"). The Administration shall be headed by a Commissioner of Food and Drugs (hereinafter in this section referred to as the "Commissioner"). The Commissioner shall be appointed by the President by and with the advice and consent of the Senate and shall serve at the pleasure of the President. The Administration shall be administered under the supervision and direction of the Commissioner. The Commissioner shall, in consultation with the Secretary of Health and Human Services (hereinafter in this section referred to as the "Secretary") appoint a Deputy Commissoiner and such associate Commissioners and Directors of functional centers, bureaus, and other administrative units as shall be needed for the effective and efficient discharge of the authorities and functions administered by the Commissioner.

(b)(1) Except as otherwise provided in this subsection, there are trnasferred to, and vested in, the Commissioner all of the authorities and functions delegated to the Commissioner or to the Assistant General Counsel of the Food and Drug Division by section 5.10 of title 21, Code of Federal Regulations, as of the date of enactment of this Act, without regard to any reservation prescribed by section 5.11 of title 21, Code of Federal Regulations. The Office of the Assistant General Counsel of the Food and Drug Division of the Office of General Counsel within the Office of the Secretary is transferred to the Food and Drug Administration and redesignated the Office of Chief Counsel. The Secretary may delegate to the Commissioner such additional authorities and functions as the Secretary deems appropriate.

(2) The Secretary may require the Commissioner to notify the Secretary of any decisions of the Commissioner which—

(A) establish procedural rules applicable to a general class of foods, drugs, cosmetics, medical devices, or other subjects of regulation; or

(B) present highly significant public issues involving the quality, availability, marketability, or cost of one or more foods, drugs, cosmetics, medical devices, or other subjects of regulations.

(c) The provisions of the third sentence of subsection (a) shall apply to any individual appointed to the position of Commissioner of Food and Drugs after the date of enactment of this Act.

(d)(1) Section 5316 of title 5, United States Code, is amended by striking out the item relating to the Commissioner of Food and Drugs, Department of Health and Human Services.

(2) Section 5315 of such title is amended by adding at the end thereof the following new item:

"Commissioner of Food and Drugs, Department of Health and Human Services".

The PRESIDING OFFICER. The Senate will be in order.

The Senator from Tennessee is recognized.

Mr. GORE. Mr. President, thank you.

I introduce this amendment in behalf of myself and the Senator from Pennsylvania, Senator HEINZ.

Mr. President, over the last several days, during the debate on the drug export bill, one thing I believe that Senators on both sides of the issue have found agreement on is that we are counting heavily on the Food and Drug Administration to make drug export bill a responsible reform initiative if it passes, appears likely. I do not think there is any question that if we could not count on FDA to monitor this law carefully the proposed law would not enjoy the support that it now clearly has.

It may then come as something of a surprise to many of my colleagues to learn that insofar as the law is concerned, there is no FDA. It is not established in law. It is a creature of the Executive's whim. It could be removed at any time by the President.

There have long been suggestions that the FDA should be established in law. Certainly it is not the intent of Members of the Senate that the FDA should be a temporary agency. It is long past time we let everyone know that they can count on having FDA around for many years to come. This amendment very simply insures that there will always be an FDA in law and that its head will be a Commissioner appointed by the President and subject to Senate confirmation. The Commissioner will have the responsibility for carrying out the Nation's food and drug laws.

This would not establish an independent agency. The FDA would still be exactly where it is now under HHS. The President would still have the authority to dismiss the FDA Commissioner.

So I hope my colleagues will see this amendment for what it is intended to be, a routine measure, long overdue, and I hope that my colleagues will be quick to support it because it does embody genuine reform.

For almost a century, the Food and Drug Administration has stood for solid protection of our food supply and medicines. All of us here can understand the importance of an independent and dependable FDA.

From the Pure Food and Drugs Act of 1906 to the Infant Formula Act of 1980, Congress has always turned to the FDA to ensure and enhance the public health. And when this measure passes, we will once again turn to the FDA and rely upon them. Its jurisdiction includes vital areas of public health, ranging from approval of drugs and food additives to inspection of medical devices and consumer complaints. Through the years, the Agency has developed a worldwide rep-

utation for professionalism and expertise.

We in Congress should strive to protect and promote that reputation for excellence. This amendment would give the FDA an independent Commissioner, appointed by the President and subject to congressional approval. An independent Commissioner will answer to Congress and the American people, not to several other agencies in the administration.

The head of every other major Federal health and safety agency is currently subject to Presidential appointment and Senate confirmation with only a single exception—FDA. This includes the heads of the Federal Aviation Administration, the Environmental Protection Agency, the Occupational Health and Safety Administration, the National Highway Traffic Safety Administration, the Consumer Product Safety Commission, and the Nuclear Regulatory Commission.

Ironically, the FDA is larger than the CPSC and the NRC, and more powerful than NHTSA or OSHA. It seems only reasonable, therefore, to require the FDA Commissioner to account to Congress just as so many other commissioners must do at the present time.

Besides making the FDA Commissioner a Presidential appointment, this amendment would clarify the FDA's place in the executive process by giving the Commissioner more authority over FDA matters.

Mr. President, this amendment should enjoy the support of industry and public advocates alike. In the past, the current arrangement has sometimes resulted in serious delays in decisionmaking—delays that have endangered the public health and cost industry millions of dollars. I think we will all benefit from an independent and accountable FDA.

We must never allow red tape to stand in the way of progress or public safety. It is time to let the FDA concentrate on the business of safeguarding the health of the American people.

Mr. President, I hope my colleagues will support this small but essential step to bolster the independence of this tremendously important agency.

Mr. KENNEDY. Mr. President, will the Senator yield?

Mr. GORE. I am delighted to yield.

Mr. KENNEDY. Mr. President, I express my appreciation for this amendment offered by the Senator from Tennessee. This is an extremely important amendment.

Our committee, the Human Resources Committee, approves a number of individuals required by statute that do not have nearly the impact on the health policy or the implication on health in our society. we approve, for example, the National Science Foundation, all 24 members of the board. We approve all the assistant secretaries at the National Science Foundation. That is enormously valuable, useful, and important because that Foundation has important implications of research and in education.

But the role of the FDA in terms of health policy in our country is very, very significant. It is profound in the areas identified by the Senator's statement.

We have seen that most recently in the Tylenol tragedies.

It seems to me that it is important for us in this body, in meeting our responsibilities, to have this kind of an overview and oversight both in terms of the agency and in terms of that individual.

This particular provision is not a new issue for this body. In the comprehensive drug legislation, in the late 1970's—I know the Senator from Tennessee is familiar with that—this provision was included as one of a variety of other different measures in that comprehensive review, so the case has been made during the course of the deliberations by the Human Resource Committee in times past.

I think it is self-evident in terms of its importance and its need.

I certainly hope that this amendment would be accepted. I think it makes a great deal of sense and it can have enormous importance and implications in terms of ensuring that that agency is going to do the kind of job that I think all Americans expect it to do, and it puts additional responsibility where responsibility is due and that is here in the Senate for us to insist that we are going to have the kind of quality person who is going to chair that agency which the American people are entitled to. I hope that all of our colleagues will support this amendment.

Mr. GORE. Mr. President, I deeply appreciate the words of my collegue, the Senator from Massachusetts, and am deeply honored that he would support this amendment. I appreciate his leadership for so long on these issues.

The PRESIDING OFFICER. The Senator from Ohio is recognized.

Mr. METZENBAUM. Mr. President, I commend the Senator from Tennessee for offering this amendment.

Certainly there can be no logical argument as to why the head of the Food and Drug Administration is not subject to Senate confirmation and available for our oversight on issues having to do with that agency's activities.

As the Senator from Massachusetts has already pointed out, there are so many other agencies where we require Senate confirmation. I can only believe that this was an oversight in the first instance.

I hope that the manager of the bill will see fit to accept the amendment. I cannot think of any arm of Government that is more important to the health of peoples of this country than is the Food and Drug Administration.

In addition to giving us the right to confirm the head of the Food and Drug Administration, it also would provide a sense of independence and not require that the head of the Food and Drug Administration be responsible to the Secretary of Health and Human Services. I think that is a major move in the right direction.

Again, I commend the Senator for the amendment and ask that he include me as a cosponsor of the amendment and hope that the Senator from Utah will see fit to accept the amendment.

Mr. SIMON. Mr. President, will my colleague yield?

Mr. METZENBAUM. I yield.

Mr. SIMON. Mr. President, I join the Senator from Ohio in commending our colleague from Tennessee.

We talk about the importance of the independence of the Federal Reserve Board and I believe it is important that they maintain that independence. It is also important that we have an independent Food and Drug Administration so that they not be subject to pressures, from whatever group the pressures may come from, that we not protect the public, and inevitably those pressures are going to be there.

I think this is a step we ought to take.

I would like to see the time come when we go even further and have the Food and Drug Administration be somewhat similar to the Federal Reserve Board so we really do, in a way that we do not do now, insulate that entity from any kind of pressure.

But I join my colleague in support of this amendment.

□ 1140

Mr. GORE. If the Senator will yield just briefly, I ask unanimous consent, Mr. President, that the Senator from Ohio [Mr. METZENBAUM] be added as a cosponsor of the amendment, and the Senator from Illinois [Mr. SIMON], as well.

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

Mr. GORE. Mr. President, so that the legislative record is clear, I do want to point out that it does not establish FDA as an independent agency per se. It is still within HHS. The Commissioner is still required to consult with the Secretary of HHS. The Commissioner is still subject to dismissal by the President.

It does confer some additional independence on the FDA by investing in the Commissioner himself or herself the authority to administer the laws that are assigned to the FDA for its administration.

I appreciate my colleague yielding.

Mr. HATCH. Mr. President, I also want to compliment the distinguished

Senator from Tennessee. When he was in the House I had great admiration for him there with regard to health issues. Frankly, there is no question there are a number of bills that are now laws as a result of his help and his aid. Nobody has worked harder to try to establish good health practices and good health policy in the country than the distinguished Senator from Tennessee. I have a lot of personal respect for him.

I might also add that this is a very interesting and good amendment. I cannot recall an FDA Commissioner who would not have been confirmed by the U.S. Senate. First of all, in order to even qualify for this position, to even be thought about, a nominee must be an expert. He or she may have a differing philosophy and some differing viewpoints, but it is extremely difficult in the scientific world to deny a man or woman this opportunity who otherwise is qualified. And I really believe there is no fear, at least on my part, that quality nominees would be confirmed by the U.S. Senate.

Now I have to tell the distinguished Senator from Tennessee that there is fear on the part of a number of others, especially in the executive branch of Government, who do not want this amendment. I do not think it is any secret that they would like me to fight this amendment and I do not think it is any secret as to why they would.

So I took the liberty of calling the distinguished Secretary of Health and Human Services just a few minutes ago to tell him that this amendment was coming up. I recommended to him that we accept this amendment with the understanding that he still maintain some control.

What this does is takes the control over FDA away from the Assistant Secretary of Health and places it in a more working relationship with the Secretary of Health and Human Services under the aegis of which FDA will still continue to operate.

I do not think the Secretary was overly pleased with my recommendation that we take this amendment. But, on the other hand, I think he understands that I have to do my job here and I have to do it as I see it and as I call it. I believe that most of our colleagues, in the Senate at least, would be pleased to have this position subject to confirmation and to have the head of this really remarkable agency become a little more independent from the internal bureaucracy of HHS yet still be subject to the Secretary of Health and Human Services. Am I correct in that assertion?

Mr. GORE. If the Senator will yield, yes. And I wish to thank the chairman of the committee, Mr. President, for his very generous and kind words and for his wisdom in expressing the views he did. I appreciate his support for the amendment.

The FDA would remain under HHS, just as the chairman has said. The Commissioner would be required to consult with the Secretary of HHS. The Commissioner would still be subject to dismissal by the President and because of that fact would still be a part of the administration in a way that purely independent agency heads are not.

Nevertheless, it would constitute a change and the principal legal responsibility for administering the various laws given to FDA would be with the Commissioner, as the responsibility should be with the Commissioner. And the committee, chaired by the distinguished Senator from Utah, would play a larger role in overseeing the activities of the Commissioner and in confirming new Commissioners after this present one.

So the Senator is correct in his earlier statement and I appreciate his support.

Mr. HATCH. Let me just say this in conclusion, so we do not spend too much more time on this. I believe the Senator's amendment is a good amendment, one that we should adopt at this time. I believe that many people thoughout the Congress will be happy to do so.

There are very few agencies in Government that I have more respect for than I do the FDA. I see a lot of sacrifice down there, a lot of loyal, hardworking people working under very bad conditions. The building they work in is an old building; the equipment they have is old equipment. These are the top scientists in the world in their respective fields and we really treat them like dogs, in all honesty, for the vitally important work that they do.

The distinguished Senator from Ohio has spoken eloquently on this subject, as well as the distinguished Senator from Tennessee.

And I also am very much influenced by the comments and the support of the distinguished Senator from Massachusetts, my colleague, Senator KENNEDY, the principal cosponsor of this bill. He has worked very long and hard with me on this bill and has been criticized for it, while, at the same time, I think, more than adequately knocking down those criticisms. He has made some very important statements here on the floor and in committee, and I personally appreciate the efforts that he has made in this regard.

So with that, we are prepared to accept the amendment.

I ask unanimous consent that my name be added as a cosponsor of this amendment.

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

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

The amendment (No. 1956) was agreed to.

Mr. KENNEDY. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

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

The motion to lay on the table was agreed to.

Mr. METZENBAUM. Mr. President, I am about to offer an amendment that it is my understanding the manager of the bill is prepared to accept.

It is a fact that I have a number of other amendments, but I can count and I am a realist enough to understand that those amendments are not going to be accepted. After the manager of the bill—assuming he accepts this amendment, which I am quite certain he will—after he does that, then I intend to be heard for a relatively short period of time to talk about the amendments that I would have offered and also to talk about the bill itself. At the conclusion of those remarks, I am prepared to move forward with a final vote on this bill.

Mr. HATCH. Mr. President, I am prepared to accept this next amendment of the distinguished Senator from Ohio. I would prefer not to, but I think he is being reasonable under the circumstances. He feels deeply about this amendment and if he wants to present it, we will talk about it.

AMENDMENT NO. 1957

(Purpose: To require that the government of a tier II country have an adequate governmental health authority to obtain adequate information concerning drugs, including information concerning the legal status of drugs in the United States)

Mr. METZENBAUM. 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 Ohio [Mr. METZENBAUM] proposes an amendment numbered 1957.

On page 25, line 21, strike out "and".

On page 25, between lines 21 and 22, insert the following:

"(III) to obtain adequate information concerning drugs, including information concerning the legal status of drugs in the United States; and

On page 25, line 22, strike out "(III)" and insert "(IV)".

□ 1150

Mr. METZENBAUM addressed the Chair.

The PRESIDING OFFICER. The Senator from Ohio.

Mr. METZENBAUM. The substance of this amendment is to provide that when a country is to be added to the tier-two country list of countries the Secretary of HHS will not only take

the steps as provided for in the legislation but one additional one to assure himself or herself that that country is in a position to obtain adequate information in the United States relative to the kinds of drugs, the status of those drugs, and the nature of those drugs.

It is more of an information-gathering process to be certain that the country to which the drugs are to be shipped does find itself in a position to know all of the facts concerning the drugs.

If the manager of the bill is prepared to accept the amendment we can proceed forward.

Mr. HATCH. Mr. President, I want to compliment the distinguished Senator for the battle he has waged here over the last 3 days.

We are prepared to accept this amendment. There are some who would not like us to accept it but I think it is a reasonable amendment, and we are prepared to accept it.

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

The amendment (No. 1957) was agreed to.

Mr. METZENBAUM. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

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

The motion to lay on the table was agreed to.

● Mr. SPECTER. Mr. President, after carefully considering the debate on S. 1848, the Pharmaceutical Export Amendments of 1986, I have decided to vote in favor of this bill. The principal reason for my doing so is that the bill as drafted contains strong safeguards against exports of untested drugs to countries that are not equipped to evaluate their safety. I commend my colleagues, Senator HATCH and Senator KENNEDY, for the excellent work that they have done in developing this legislation.

Under current law, no new drug can be exported to any country unless and until it is found safe and effective for domestic use by the Food and Drug Administration or other appropriate authorities. Other developed nations also have highly sophisticated agencies for the testing and evaluation of new drugs. There is some variation in the standards employed in these countries in determining safety and effectiveness, but each of these agencies is accountable to its own government and to the people of the country concerned.

S. 1848 limits exports of unapproved drugs to three categories of countries. First, exports may only be made to developed countries that have sophisticated drug approval systems comparable to that of the Food and Drug Administration. Fifteen of these countries—Australia, Austria, Belgium, Canada, Denmark, Federal Republic of Germany, Finland, France, Japan, Netherlands, New Zealand, Norway, Sweden, Switzerland, and the United Kingdom—are specified in the bill. Others may be added to the list by the Secretary of Health and Human Services or other involved cabinet officer, if such countries have (a) adequate scientific review of studies relating to the safety and effectiveness of drugs; (b) assurance that labeling information is accurate and in conformity with local laws; (c) the ability to detect and record certain serious safety problems with the drug, including adverse drug reactions; and (d) sufficient procedures and trained personnel to administer and enforce the policies of the agency, including the capability to remove, or cause to be removed from the market, problem drugs.

Second, exports may also take place to developed countries with an adequate health authority to assure that labeling information is consistent with labeling of the drug approved by a first-tier nation. The health authority must also be capable of detecting and recording serious safety problems and of taking appropriate action thereon with procedures and personnel sufficient to administer and enforce the policies of that authority.

Third, the bill contains a so-called tropical disease exemption, permitting exports to countries not included in either of the first two categories, but where there is determined to be a disease or health condition that does not exist to a significant extent in the United States and for which the Secretary determines that the shipment of a particular drug is justified to promote the public health in that country.

These are not the only safeguards in the bill. Foreign importers of unapproved U.S. drugs will have to agree in writing not to ship the drug to an unauthorized country. The Secretary will have authority to require exporters to investigate credible reports of shipment to unauthorized countries, and to prohibit shipments to any importer breaching its agreement not to ship to unauthorized countries. The bill requires the Comptroller General to do periodic studies on the effectiveness of the bill's restrictions.

I would strongly oppose any legislation authorizing exports of unapproved drugs to countries that are not in a position to independently evaluate their safety and effectiveness or the accuracy of their labeling. That kind of action would indeed involve a moral double standard. But if the Government of France or the United Kingdom or Japan has concluded that a drug is safe and effective for use by its people, I see no reason why the Government of the United States should presume to deny the benefit of that drug to those people. Doing so not only constitutes a needless intrusion upon the sovereignty of these foreign governments, but results in the loss of jobs and the discouragement of advanced research within the United States.

I should add, however, that the safeguards in this bill depend upon vigorous enforcement by the Food and Drug Administration and other authorities. The FDA should be on notice that the U.S. Congress expects it to enforce the law not only conscientiously, but strictly. There must be no subterfuge or evasion permitted on the part of drug manufacturers or distributors.

If we have this kind of enforcement, I am satisfied that this bill, because of its stringent safeguards, does not create the moral double standard that it has been alleged to create. Consequently, I am voting for this bill.●

Mr. HATCH. Mr. President, is the purpose of the amendment of the Senator from Ohio to require notice of intent to export for those drug products subject to S. 1848?

Mr. GLENN. Yes. The purpose of subsection (b) of my amendment is to require that information regarding the export of drug products subject to S. 1848 be transmitted to the appropriate official of the Embassy located in the United States of the importing country.

Mr. HATCH. In reviewing the amendment of the Senator from Ohio, I note that several provisions appear to be broader than the scope of S. 1848. Was that the gentleman's intent?

Mr. GLENN. No. The amendment is intended to cover only those drug products which are subject to S. 1848 as well as consumer products subject to the jurisdiction of the CPC and pesticides subject to the jurisdiction of the EPA, and other statutes named in my amendment.

Mr. HATCH. While I would have preferred to modify the amendment of the Senator from Ohio to assure that it accomplishes his intent, procedural impediments under the time agreement do not make that possible. Would the Senator have agreed to a technical amendment which would have resolved any ambiguity or possible misconstructions on this question, as it applies to FDA regulations?

Mr. GLENN. The Senator's interpretation of the amendment is completely consistent with my intent. I, too, would have wished to offer a perfecting amendment to assure its scope comported with that of S. 1848. The intention of my amendment is to standardize existing notification procedures.

Mr. CRANSTON. Mr. President, I rise to support the pending legislation,

S. 1848, the proposed "Pharmaceutical Export Amendments of 1986."

This bill would help keep American pharmaceutical and biotechnology companies competitive in international markets. Because of the lengthy drug-approval process in the United States—generally taking 7 to 13 years, at a cost of tens of millions of dollars to complete—there is often a substantial lag time between approval of drugs here and their approval in other countries. In addition, current law prohibits U.S. manufacturers from exporting drugs that are not approved by the Food and Drug Administration [FDA]. Thus, very often, by the time a drug is approved in the United States and is ready for export, a foreign manufacturer has already established preeminence in overseas markets, even though it may not have been the first to develop the product.

Large multinational drug companies can manufacture their products in overseas plants in order to overcome this lag time. Small American drug and biotechnology companies, however, cannot and thus are at a particular competitive disadvantage because they do not have the available capital to set up manufacturing facilities abroad. Rather, they are faced with the dilemma of relinquishing their ability to enter a foreign market or turning over trade secrets and technologies to foreign licensees.

S. 1848 would eliminate this Hobson's choice, allowing U.S. biotechnology and smaller drug companies quicker entry into foreign markets.

Mr. President, enactment of S. 1848 would provide that drugs not yet approved by the FDA may be shipped to a developed country that has a sophisticated drug approval system but only if that country has approved the drug's use. European and other developed countries have drug-regulation systems sufficient to make responsible determinations for themselves whether to approve a drug or not to do so. It is their choice. If, after various tests and trials, they believe that a particular drug is safe and effective for use, then American companies should be able to compete openly in those markets. That is the essence of this legislation.

CONCERNS ABOUT THE BILL

Mr. President, I congratulate the chairman, Mr. HATCH, and the ranking minority member [Mr. KENNEDY] of the Labor and Human Resources Committee for reaching agreements on ways to strengthen markedly this legislation. It is greatly improved in this regard from earlier versions. Nevertheless, I do have certain reservations.

During the debate on S. 1848, numerous accounts of drugs and antibiotics being misbranded, mislabeled, and misued in Third World countries have been presented. As a resulted of transshipment—that is, the reexport of a drug from the country to which export is authorized to a country to which export is not permitted—the export of FDA-unapproved drugs could add to this already serious problem. Many of the protections and prohibitions against transshipment included in this legislation are intended to prevent the unauthorized reexport and other abuses of these pharmaceuticals.

For example, importers would be required to sign written agreements that the drugs will not be shipped to unauthorized countries and that reports of serious adverse drug reactions will be transmitted promptly to the Secretary of Health and Human Services. The Secretary would have the authority to prohibit the shipping of a drug to any country to which it would otherwise be authorized to be shipped under this legislation if the drug is determined to present an imminent hazard. Furthermore, the Secretary would have the authority to prohibit shipment to an importer if that importer is found to be shipping a drug to an unauthorized country and all other means to stop transshipment fail. Although many experts agree that some of these provisions will be difficult to enforce fully, they do represent a mechanism for monitoring and attempting to control shipments of drugs.

I hope, however, that we could take some action at a future time to try and remedy the problems discussed above—which involve foreign firms as well as American companies—through the World Health Organization and other international forums.

Mr. President, the Senator from Ohio [Mr. METZENBAUM] offered some amendments for which I have a great deal of sympathy. I would note in particular that I share his deep concerns regarding the need for safeguards on the export of unapproved antibiotics. However, I believe that legislation on that important issue should first be considered by the Labor and Human Resources Committee before it comes to the full Senate.

Nevertheless, although these problems exist and we must continue to look for effective ways to deal with them, I do not believe that they should preclude us from taking necessary corrective action to enable U.S. pharmaceutical and biotechnology companies to compete in the international marketplace.

INFANT FORMULA

Mr. President, I was very pleased to support, with the majority of my colleagues, the amendment strengthening the Infant Formula Act. Bad formula batches create enormous health risks because of the high likelihood that an infant will consume a large amount of the product. As the Senator from Ohio [Mr. METZENBAUM] documented, millions of cans have been recalled because of missing nutrients. This amendment would help assure that all infant formula batches contain the proper levels of nutrients and that millions of children are protected against deficient infant formula. It attempts to provide the kind of protections many supporters of the 1980 Infant Formula Act intended when that legislation was enacted 6 years ago.

THE BIOTECHNOLOGY POTENTIAL

Mr. President, I would like to discuss what this legislation could mean to our domestic biotechnology industry. The United States is the world leader in the commercialization of biotechnology—because of the Federal Government's support over the past decade for basic biomedical research and training, the availability of financing for high-risk ventures, and the innovative efforts of independent biotechnology companies.

Biotechnology promises enormous rewards in terms of jobs and economic development. It will also produce new products and processes that will improve health, increase productivity, and enhance living standards. Biotechnology can develop products that will provide invaluable benefits to society—drugs, vaccines, microbial pesticides, disease- and pest-resistant crops and livestock. Genetic engineering may also produce bacteria that will help clean up environmental contamination, consume oil spills, and create substitutes for gasoline.

Although insulin is currently the only recombinant DNA product on the market, many more are in the pipeline. A biosynthetic growth hormone, for example, will enable children and teenagers of short stature to reach normal height. And one remarkable product, Interleukin II, make the headlines just a few short months ago as a potential cancer therapy. It is a naturally occurring molecule, which through genetic engineering, can now be manufactured in large quantities for use in clinical trials. I want to emphasize that this potential breakthrough could not have occurred without genetic engineering.

Mr. President, biotechnology is the new high-technology industry on the block. The various techniques associated with biotechnology, in particular genetic engineering and monoclonal antibodies, were discovered less than 15 years ago in the laboratories of university scientists. Today, a hundred-million-dollar industry exists. In the next decade, it could be worth tens of billions of dollars.

American scientists conducting basic research experiments on the inner-workings of cells, with the support of Federal basic research dollars, pioneered the technology. With the help of venture capital, they invested in its growth. When concerns were expressed both by the scientific commu-

nity and the public about the safety of recombinant DNA technology, American scientists led the way in responsibly taking control of the progress. American scientists and entrepreneurs should reap the benefits.

Biotechnology is expected to be the dominant new technology affecting many industries over the next quarter-century, much the same as information processing has been dominant for several decades.

INTERNATIONAL COMPETITIVENESS

However, Mr. President, we must make sure that the path of biotechnology does not mirror too closely that of the semiconductor industry where international aggressiveness, particularly by the Japanese, is threatening a substantial erosion of the American lead in the worldwide market.

I have discussed with a number of scientists and professionals in the industry their concerns about other countries capitalizing on American inventiveness. They are concerned that Japan, which has targeted biotechnology as a key technology of the future, will edge American companies out of the international marketplace.

S. 1848 is one step toward assuring that the United States maintains its competitive edge. Under the bill, American biotechnology companies would be able to export newly developed therapeutic agents to countries in which they are approved for use. Without this legislation, the only way small biotech companies would be able to get their products to foreign markets is by providing a license to use the technology—the most valuable resource in this competitive industry—to a foreign manufacturer.

THE CALIFORNIA BIOTECHNOLOGY INDUSTRY

Mr. President, like the Silicon Valley and the semiconductor industry before it, I am proud that my home State of California has become one of the most important regions in the world for biotechnology. More than one-third of the major U.S. biotechnology firms—70 out of 200—are located in California. Many of the 70 firms are small, independent companies specializing in one area of biotechnology products or processes. The two leading companies—Genentech and Cetus—are among the 20 California biotechnology firms located in the bay area. Thirty percent of the total employment in the industry—conservatively estimated at 5,000 jobs—is in California.

The concentration of biotechnology firms in California is due to the strong research and leadership role played by the University of California, Stanford University and other private universities, and the entrepreneurial-venture capital environment present in the State. Easing in a responsible way the export prohibition will help keep and expand this growing industry in California and the United States.

CONCLUSION

Mr. President, in a recent publication, the Institute of Medicine concluded that biotechnology has the potential to join the "handful of advanced technologies that contribute substantially to domestic economy and the U.S. balance of trade." Now—as the first generation of recombinant drugs emerge—is the time to take actions to help ensure that America is able to compete fairly overseas and have a fair chance to maintain and build on its existing competitive edge.

I am pleased to join in this effort today to ease the export restrictions in a reasonable and responsible way. I urge all my colleagues to support this measure.

Mr. KENNEDY. Mr. President, I am delighted to have gained such overwhelming support for this very significant piece of legislation. There can be no question that this bill represents a step forward. It will reverse a longstanding feature of U.S. drug law which has become outdated. Senator HATCH has been very responsive to the many safety concerns I have raised. And these have been incorporated into the bill. I believe this bill is a tribute to what can be accomplished on a bipartisan basis by two Senators who sometimes have great differences but persevere to find common ground.

We have produced a bill that constitutes sound and responsible policy. It is not a perfect bill. But it represents progress on many counts.

There is no doubt that this bill will benefit the U.S. economy. It will stimulate the biotechnology industry. It will keep the successful American pharmaceutical industry at home as it continues to expand. And it will also stimulate American companies to respond to the needs of Third World countries who labor under the dark cloud of widespread tropical diseases.

I would like to thank my colleagues, Senators METZENBAUM, GORE, and GLENN who added significant amendments, all of which I supported. Their amendments will contribute to protecting the well-being of American and foreign consumers of infant formula, pharmaceuticals, and other products. All three of these amendments are significant steps forward over current policy.

I would also like to thank my staff, especially Drs. Larry Horowitz and Mona Sarfaty for the work they have done to make this bill reflect the very real health needs faced by people around the world. Both of them have followed this issue over many years and have deliberated on and considered the many important issues raised by this bill. I would also like to thank my staff members Tom Rollins and David Nexon and former staff member Nick Allard for their contributions to the technical excellence which is apparent in this bill; and I would like to thank our staff assistant Deb Sutinen for the many hours of work she spent on this bill.

Senator HATCH also had several dedicated staff members who have worked long and hard on this bill whose names I would like to mention. His staff director Ron Docksai contributed a rational and balanced approach throughout the consideration of this bill and Doug Campbell carried on negotiations on the bill with reason and perseverance and then saw the proposal through to successful completion.

Mr. President, it isn't often that the Senate approves new policy with support as overwhelming as that demonstrated by this bill. The vote of 91 to 7 I believe demonstrates the overwhelming agreement that this bill represents a meaningful step forward. I would once again like to thank my colleagues for a job well done.

Mr. KERRY. Mr. President, today we will vote on the Pharmaceutical Export Amendments of 1986, legislation to allow for the export of new drugs which have met certain requirements both here and abroad. I would first like to state that I believe the U.S. pharmaceutical industry has served the American people well over the years by contributing significantly to their health and well-being. For this reason, the Senate Labor and Human Resources Committee prudently examined proposals which would expand world markets for U.S. manufactured pharmaceutical products and biologics, which resulted in the legislation under consideration today, S. 1848.

I want to clarify, though, that in our eagerness to do this, we were very careful not to defeat the very purpose we seek: enhancing the overall public welfare, both in this Nation and abroad. This legislation's public health merits were deliberated at length, keeping in mind the No. 1 goal of benefiting consumers and the international health care community in their search for new treatments and drugs. I think it is also important to note that we certainly would not benefit the American pharmaceutical industry if the high regard in which they are currently held was diminished because we neglected to pay serious enough attention to public health concerns.

Although I support this legislation, I wish to point out that I believe it is important for us to monitor its implementation closely. It is crucial that notification procedures in the bill regarding information on safety and effectiveness be fully utilized and transshipment violations be addressed promptly. In addition, I support the inclusion of antibiotics under the provisions of the bill and hope the House will consider such a change.

As I see it, we were faced with the difficult and delicate task of balancing

our respect for the autonomy of other nations to make their own risk-benefit evaluations against our own deeply rooted concerns about health and safety. I remain firm in my belief that above all, any policy governing drug exports should be in the interest of promoting health and safety. Other objectives of our policy should result in stimulating innovation, promoting better relations between the United States and other nations, enhancing the effectiveness of our regulatory apparatus, and making U.S. industry more competitive in world markets.

Satisfying all of these goals was not easy, but I believe the carefully constructed provisions of S. 1848 come as close as possible to insuring these safeguards and adequately meeting our objectives.

Mr. GORE. Mr. President, the time is long overdue for change in our drug export laws and I truly hope that one bill that is signed into law this year is one that would reform our Nation's laws in this area. But as we get ready to send this bill over to the House I want to make clear that I think we still have a long way to go before we have a bill that solves the problem for industry without unnecessarily endangering the public health.

The representatives of the pharmaceutical and biotechnology industries who came to the Congress requesting that we change the law were headed in the right direction. I don't believe that it does make sense, or is necessary to insure the public health, that a drug must complete the approval process in this country before we allow a company to export it.

If a country with the demonstrated capability to approve drugs concludes that a drug is safe and effective for the intended conditions of use in their country, then we should not force the company making that drug to either complete the drug approval process here or move their plant overseas, particularly since they have very little control over the speed of the drug approval process. This is especially true in the case of a drug that will shortly be approved for use in this country.

But something happened to that first good idea, something went astray. After all the interested parties got together and worked out their differences, what emerged was a bill that no longer makes good sense.

What I find especially troublesome about S. 1848 is that it creates three tiers of countries for exports. With each of these tiers comes a different public policy. The original policy of allowing export of unapproved drugs to countries with proven drug approval processes is encompassed by tier one in the bill.

Tiers two and three, however, create large loopholes that threaten to turn constructive, much needed drug export reform into an exploitive measure that could tarnish the reputation of our drug industry and endanger the public health in hundreds of nations around the world.

The principle we are embracing with tier one, as I have already stated, is that nations that have demonstrated the capability to make their own risk/benefit analysis, that have drug approval processes, should be allowed to make up their own minds.

Tier two establishes an entirely different, and I believe unwarranted and dangerous principle—that for countries that do not have the capability to approve drugs or do the necessary risk/benefits calculations, we will be willing to substitute the judgment of third party. Fifteen countries have been arbitrarily named in the bill—the so-called tier one countries.

Proponents of S. 1848 have stated repeatedly that the reason we need this bill is it does not make sense for the risk/benefit calculus of the United States, which is based on the unique circumstances of our country, to be applied on other countries. But, it makes no more sense that 1 of 15 arbitrarily named countries should be able to substitute their judgment, based on their own unique circumstances, for a country that we think cannot make that type of decision for itself. In fact it makes far less sense.

Indeed, as I try to figure the possible rationale behind a tier two, I am brought to the very troubling conclusion that such a policy will effectively remove all limits on the number of countries to which we will allow the direct export of unapproved drugs. This is not the same policy that has been discussed on the floor of the Senate during this debate, and it is one I cannot support. I hope many of my colleagues will agree with me.

There is however a simple solution to this problem. We should strike tier two. I have proposed this to the authors of the bill, but I am told that the drug companies need a tier two because there are several western European countries that are important markets that they need to be able to ship to that are not currently on the tier one list. They tell me the countries are: Iceland, Ireland, Israel, Italy, Luxembourg, Portugal, and Spain.

I have asked the FDA about these 7 countries and the 15 that already make up tier one. Their experts inform me that nothing would distinguish these 7 from the original list of 15. Indeed, if you rank all 22 countries on a single list, 4 stand out above the rest, Australia, Canada, Sweden, and United Kingdom. The rest, it seems, are on a par with one another. The FDA also told me that as drafted tier two might possibly contain many more than these 7 countries, and that the list could possibly grow to as many as 50 countries depending on how one interprets tier two.

I don't believe it is wise to create such uncertainty. After listening to everyone's concerns I have drafted an amendment that would strike tier two and add the seven countries I just mentioned to tier one. This would give us an expanded tier one with 22 countries, but get rid of a very dangerous loophole in the bill.

I was hoping that during the last few days of debate I might convince the floor managers that my amendment would make this a much better bill and give it a much better chance of passing the House, where I know many Members share my concerns. But I have been unable to do so.

I am not going to offer my amendment because I don't think we should take any more time on this issue and quite frankly I don't think it would pass. But I do believe it must be part of any final compromise on this issue and I will continue to work with my colleagues here and in the House to see to it that it is.

Despite strong reservations, I have decided to vote for this bill because a number of important amendments were added, including the infant formula amendment offered by Mr. METZENBAUM and myself, the amendment by Senator GLENN, and my amendment today dealing with the FDA. Each of these amendments provide much needed reform.

Mr. METZENBAUM. Mr. President, unless the manager of the bill wishes to be heard at this moment, 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. METZENBAUM. 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 Senator from Ohio is recognized.

Mr. METZENBAUM. Mr. President, I rise to indicate that I am prepared for final passage of this bill. I am a realist enough to understand it is going to pass. I knew that before I ever offered my first amendment or offered the first comment because it is not too difficult to know where the votes are around here. I have a number of other amendments that I was prepared to offer. One would provide that there would have to be truth in labeling drugs so they would say on the drug "sold overseas," that they are not for sale or use in the United States. That ought to be on every drug sold; that people would not be taken aback or surprised and think that they were getting the protection of the United States because the label says "Made in America." But I would guess that would not be acceptable to the Pharmaceutical Manufacturers Association,

the drug lobby, and it would not be adopted.

I was prepared to offer an amendment to tighten the language with respect to tropical disease drugs. I think, even though I could point out that that language was too loose, that it would not be accepted.

It is my firm belief that the tier two countries should be eliminated and hopefully will be eliminated before the House disposes of this legislation. The tier two countries are too loose. The question comes in of the lobbyists being able to prevail upon the Secretary of HHS to designate which are tier two countries and which are not, and recognizing the power of lobbyists around this country I know some mistakes will be made.

I would further provide by an amendment that before any drug could be exported there would have to be 30 days' notice in order that public comments could be received. But when I suggested that to the author of the bill, he thought, "Oh, no, that would be horrendous." Frankly, I have difficulty in understanding how provision for 30-day notice would be horrendous.

The Members are going to be called upon to vote very shortly. I am prepared to vote immediately at the conclusion of my remarks. The issue is simple: Do we believe we ought to export drugs throughout the Third World labeled "Made in America" when those same drugs cannot be sold in this country?

That is the issue pure and simple. I firmly believe they should not. I am convinced that if we pass this legislation, if it passes the House and is signed by the President, there will come a day when those who voted for this legislation will look back and say, "That was a major mistake I made. We never should have permitted that to happen. Our country will be embarrassed. It is merely a question of determining what that point in time will be."

I offered an amendment to include antibiotics which are not covered. This body rejected that. I offered an amendment to provide some protection in the event of transshipment—where drugs are sent to a country that is named in the bill and then shipped out of the country without permission. This body said no to that.

I offered an amendment to provide that before the drugs could be exported, they would have to be further along the pipeline at the Food and Drug Administration and not merely be filed with the Food and Drug Administration. This body said no to that.

I offered an amendment with respect to labeling, and this body said no to that.

I can read. I can understand. I know that the bill will pass, overwhelmingly, but that does not make it right. I said to the majority leader early on on this bill all I wanted was enough time to be on the floor of the Senate, at least that some people might learn what we were doing, that it not just slide through the Senate. There was never any effort on my part to delay the passage of this bill. I said let it come up, let us debate it, let us address ourselves to the amendments and if I cannot prevail, which I do not expect I will, then I am prepared to have the Senate vote on the subject.

I am prepared to have the Senate vote at this very moment and I say to my colleague from Utah, the manager of the bill, the distinguished chairman of the Labor and Human Resources Committee, my friend, if he is prepared to act, I am also prepared to act at this very moment.

The PRESIDING OFFICER. The question is on agreeing to the committee substitute.

Mr. HATCH and Mr. METZENBAUM addressed the Chair.

The PRESIDING OFFICER. The Senator from Utah is recognized.

Mr. HATCH. Mr. President, I understand the distinguished Senator from Ohio is ready to go to a vote on final passage.

Mr. METZENBAUM. If he is ready. If no action is contemplated, then I would ask for a rollcall. But I just wanted to be certain the Senator had concluded.

Mr. HATCH. Let me just say a few words in conclusion before we act. Mr. President, I appreciate the willingness of the distinguished Senator from Ohio to go to a vote at this early stage. I would like to speak briefly to urge passage of S. 1848, as amended. I will not take long to state my reasons for its passage. Some years ago, Senator KENNEDY and I came upon a corner of the law where a so-called ban was serving no useful purpose. It was in fact driving American jobs and development overseas, worsening our balance of payments, and threatening American leadership in the field of biotechnology. It was needless and counterproductive.

Now, working together, Senator KENNEDY and I and others have drafted a solution that will permit new production facilities and jobs to stay in this country and it will encourage the development of new drugs for tropical diseases and protect American biotechnology.

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By inducing the production here of drugs which will otherwise be made overseas, and have been made overseas for many years now, S. 1848 subjects these drugs for the first time to FDA approval and control. That is a pretty big step forward in the protection of foreign consumers.

Under this bill, drugs produced here and shipped abroad are produced according to the highest standards of purity and quality, which will benefit people all over the world. They will be produced here by American workers, with the jobs here, with the money here, with the innovation here, with the biotechnology here, with the world leadership here—as it should be. They will already have been found safe and effective by the regulatory authorities, equivalent to our FDA, of other respected developed countries.

This bill respects foreign sovereignty and foreign competence. We are saying to our foreign counterparts: "We respect you. We believe in what you are doing. We know you have done a good job with regard to your drug approval process, and you know we have done a good one with respect to ours."

This bill is much more conservative than the U.N. policy regarding these issues. It has received the support of our current FDA Commissioner and past Commissioners, both Democrat and Republican, including Drs. Donald Kennedy, Alexander Schmidt, Herbert L. Ley, Mark Novich, and Arthur Hull Hayes. It was reported by the committee by a vote of 13 to 2. It is a good bill. It is landmark legislation. It is important.

If we want to do anything about the balance of trade deficit, this is the first salvo. The beauty of it is that it does not have protectionism written into it. It does not subject our people to trade barrier retaliation or higher prices at home. It just provides our people the opportunity of working onshore rather than taking their facilities offshore, where they are basically unregulated and unrestricted.

I have had a great deal of difficulty understanding why the distinguished Senator from Ohio—and the people he quotes as strong supporters of his position—do not recognize what an improvement over current law this bill is.

Be that as it may, I know that he is sincere, and I know that he believes in his position, and I respect him for it. But I think the bulk of the evidence, the vast majority of the evidence, backs the contention that this is not only a good bill but also one that is essential in many ways.

I acknowledge the contribution to the passage of this bill by many people. The majority and minority staffs have worked tirelessly, and ably, and I congratulate them.

Above all, I want to thank my distinguished colleagues on the Committee on Labor and Human Resources: First and foremost, Senator EDWARD M. KENNEDY, the ranking minority member, without whose valuable input and support this bill would have been impossible. Each portion of this bill bears the imprint of his contribution.

I compliment my esteemed adversary, Senator METZENBAUM, as well. His

incisive arguments have served to sharpen the issues and hone the response.

Of course, I disagree with his analysis of the bill and its impact. I believe that his basic charges have been amply rebutted, and I think effectively so, over the past few days, not only by Senator KENNEDY but also by others, including myself.

As always, Senator METZENBAUM has conducted himself as a gentleman and a worthy opponent. I appreciate his cooperation in bringing this matter to a final vote this afternoon, sooner than otherwise would have been the case.

This is a very important bill; it is a good bill. It will help our country, and I do not apologize for that. It improves the situation for foreign consumers. Current law is completely ineffective in protecting foreign consumers from exposure to any drug. S. 1848, on the other hand, contains protections that will improve the quality of drugs on foreign markets.

So I am proud of this bill, and I am ready to vote for its passage, and I hope a majority of my colleagues will see fit to do so as well.

With that, I am prepared to ask for the yeas and nays and move to vote.

The PRESIDING OFFICER. The question is on agreeing to the substitute.

Mr. METZENBAUM. Mr. President, I have great respect for my colleague and for the way he has handled this bill, and I congratulate him on his effort.

I suggest that we accept the substitute without a rollcall vote and that we have a rollcall vote on final passage, if that is all right.

Mr. HATCH. Mr. President, I would like to engage in a colloquy with Senator D'AMATO.

I believe Senator D'AMATO has a question concerning the bill.

Mr. D'AMATO. Mr. President, I wish to commend Senator HATCH, the distinguished chairman of the Labor and Human Resources Committee, and Senator KENNEDY, the distinguished ranking minority member of that committee, for this excellent piece of legislation.

Under current law, a pharmaceutical manufacturer has only two choices when a drug is approved by a foreign country before it is approved in the United States: First, build a plant overseas to make the drug; second, license the technology to a foreign competitor to make the drug. The former option results in a loss of jobs in the United States, while the latter option, which may be the only one available to small pharmaceutical and biotechnology companies that cannot afford to build a plant overseas, results in a loss of jobs and our lead in technological know-how. By permitting the export of drugs which have not yet been approved in this country, S. 1848 will enable the pharmaceutical industry to make these products in this country. Consequently, this bill will create new jobs in the United States as well as preserve our scientific advantage in fields such as biotechnology.

I should like to ask the committee chairman a few questions about S. 1848. First, it is my understanding that drugs covered by the bill may only be shipped to two groups of countries: An "A" list of nations composed of developed countries with drug regulatory systems comparable to that of our Food and Drug Administration; and a "B" list of nations composed of developed countries with drug regulatory systems capable of detecting serious safety problems with a drug and removing such a drug from the market.

Is that correct?

Mr. HATCH. My colleague is correct. Generally, drugs covered by the bill may only be shipped to countries on the "A" or "B" list of nations. Section 801(e)(2)(A) sets forth the specific criteria for the "A" and "B" lists. Based upon those criteria, the Secretary of Health and Human Services must develop a list of nations which qualify as "A" or "B" list countries. In addition, section 4 of the bill suggests to the Secretary 15 countries for inclusion on the "A" list.

Mr. D'AMATO. My understanding is that Italy, which has a sophisticated drug regulatory system, is not specified in section 4 of the bill for inclusion on the "A" list.

Is that correct?

Mr. HATCH. Yes, my distinguished colleague is correct. Italy is not included in section 4 of the bill. However, the countries listed in section 4 of the bill are suggestions to the Secretary for inclusion on the "A" list of nations. In addition to suggesting these countries, section 4 requires the Secretary to assess independently whether each of the proposed nations meets the criteria for inclusion on the "A" list. Further, the Secretary must not limit his review to countries proposed in section 4. Section 801(e)(2) (B) and (C) require the Secretary to review all developed nations which might meet the criteria of the "A" list.

Mr. D'AMATO. Does my colleague agree that Italy has a sophisticated drug regulatory system and that the Secretary should give priority attention to assess whether it meets the criteria of the "A" list?

Mr. HATCH. Yes, I am impressed that Italy does have a sophisticated drug regulatory system. I would hope that the Secretary would consider as a priority matter Italy's eligibility for inclusion on the "A" list. The list of suggested countries is not intended to be exhaustive but rather represents the committee's best judgment as to those countries which quite obviously meet the criteria of section 801(e)(2)(A).

Mr. DECONCINI. Mr. President, I rise to commend my distinguished colleagues from New York and Utah for addressing a concern which I, too, have regarding the tier system proposed by the bill. I am pleased to hear the chairman's clarification of section 4 and section 3 of the bill. That these provisions do not limit the Secretary to reviewing only the feasibility of including the countries now listed on the "A" list but also require the Secretary to review all developed countries which might meet the "A" list criteria is critical to countries like Italy. The Italian Government has, as we all agree here today, a reliable drug regulatory system. Certainly, countries like Italy ought to have the opportunity to be considered for inclusion on the "A" list in the future. I join my colleagues in urging the Secretary to give priority to undertaking the appropriate review of Italy's eligibility for inclusion on the "A" list in accordance with the bill's provisions.

Mr. DOLE. Mr. President, I take this opportunity to offer my thanks to Senator HATCH. Because of his extraordinary work on this legislation, we were able to reach agreements that moved the bill forward and brought us to the point of approval without spending undo time on the floor.

I also express my gratitude to Senator METZENBAUM. As always, the Senator from Ohio proved himself a worthy opponent. And I believe he would agree that he had ample time to discuss the measure and make his case against this legislation. Now we are ready to proceed with final passage.

There has been a lot of debate recently over how we can reverse the trend of American jobs and high technology development drifting away to foreign shores. In my view, we have a chance today to act against this trend by supporting S. 1848, the so-called Drug Export Act.

Without question the United States has been—and is—the world leader in drug research. In my view, however, current law threatens to undermine the ability of our manufacturers to fully investigate and develop the pharmaceuticals that have been so vital to the health of hundreds of millions of people around the world. In fact, we are the only country in the world that imposes on itself an export restriction—and that's why we are shooting ourselves in the foot at a time when we should be doing all we can to improve trade and enhance employment.

By shutting off foreign exports of drugs not yet approved by the Secretary of Health and Human Services, we are shutting out America. The fact is, Mr. President, foreign competition steams ahead while our industry is bridled by cumbersome regulations. In

effect, we are encouraging our manufacturers to locate plants overseas—taking with them industry and jobs—so that they can compete in a more open environment: statistics tell us that 70 percent of the drugs approved in this country were approved first in a foreign land. But let me quickly add that in no way are we talking about dumping dangerous, untested drugs on an unsuspecting market.

The opponents of this legislation have failed to highlight the many safeguards in the Drug Export Act carefully designed to promote the safe export of unapproved American drugs. There are controls that will determine which countries can accept these drugs; conditions that must be met before export can take place; and standards under which U.S. authorities can take corrective action when and if problems arise.

Mr. President, this is a bill that will benefit millions and millions of consumers by freeing our industry to compete. It will help guarantee that the United States remain the leader in the research, development, and marketing of the most effective and safest drugs in the world.

Mr. HATCH. 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. HATCH. 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. HATCH. Mr. President, we are prepared to proceed on the adoption of the substitute. We will have a rollcall vote on the bill.

Mr. METZENBAUM. Mr. President, I have no objection to adopting the substitute.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment in the nature of a substitute, as amended.

The committee amendment in the nature of a substitute, as amended, was agreed to.

Mr. HATCH. Mr. President, I move to reconsider the vote by which the committee amendment in the nature of a substitute, as amended, was agreed to.

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

The motion to lay on the table was agreed to.

Mr. HATCH. Mr. President, I ask for the yeas and nays on final passage.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

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

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass? On this question the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. SIMPSON. I announce that the Senator from Florida [Mrs. HAWKINS], and the Senator from Oregon [Mr. PACKWOOD] are necessarily absent.

The PRESIDING OFFICER (Mrs. KASSEBAUM). Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 91, nays 7, as follows:

[Rollcall Vote No. 99 Leg.]

YEAS—91

Abdnor	Garn	Melcher
Andrews	Glenn	Mitchell
Armstrong	Goldwater	Moynihan
Baucus	Gore	Murkowski
Bentsen	Gorton	Nickles
Bingaman	Gramm	Nunn
Boren	Grassley	Pell
Boschwitz	Hatch	Pressler
Bradley	Hatfield	Pryor
Bumpers	Hecht	Quayle
Burdick	Heflin	Riegle
Byrd	Heinz	Rockefeller
Chafee	Helms	Roth
Chiles	Hollings	Rudman
Cochran	Humphrey	Sasser
Cohen	Inouye	Simon
Cranston	Johnston	Simpson
D'Amato	Kassebaum	Specter
Danforth	Kasten	Stafford
DeConcini	Kennedy	Stennis
Denton	Kerry	Stevens
Dixon	Lautenberg	Symms
Dodd	Laxalt	Thurmond
Dole	Levin	Trible
Domenici	Long	Wallop
Durenberger	Lugar	Warner
Eagleton	Mathias	Weicker
East	Matsunaga	Wilson
Evans	Mattingly	Zorinsky
Exon	McClure	
Ford	McConnell	

NAYS—7

Biden	Leahy	Sarbanes
Harkin	Metzenbaum	
Hart	Proxmire	

NOT VOTING—2

Hawkins	Packwood

So the bill (S. 1848), as amended, was passed as follows:

S. 1848

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 "Pharmaceutical Export Amendments of 1986".

SEC. 2. (a) The Congress finds that—

(1) the development and international distribution of safe and effective pharmaceutical products by United States-based firms promotes world health and is important to the national economy;

(2) the policy governing worldwide distribution of pharmaceutical products manufactured in the United States should promote the public health;

(3) the full public health benefits that could be afforded by new drugs manufactured in the United States are at times unnecessarily limited by the export restrictions which exist under United States law;

(4) the current law of the United States does not permit the export of such drugs prior to approval in the United States;

(5) there are other developed countries which have sophisticated health regulatory authorities which protect the health and safety of their citizens;

(6) many new drugs developed by United States pharmaceutical companies are approved for marketing in such foreign countries prior to approval in the United States;

(7) the inability to export such drugs to countries which have adequate regulatory authorities especially hinders the international competitiveness of smaller United States firms and firms in the biotechnology field from entering foreign markets directly, and often such entrance is only possible through technology licensing agreements with foreign competitor manufacturers;

(8) it is appropriate to permit the export of new drugs to countries in which they are approved under circumstances that protect against harm to the health or safety of citizens in the importing country;

(9) the inability to export drugs approved abroad discourages investment in the United States, results in the loss of employment opportunities in this country, and erodes the favorable balance of trade in pharmaceuticals; and

(10) it is appropriate to provide sufficient safeguards to ensure that drugs so exported are not diverted to countries that may not have adequate drug regulatory authorities.

(b) The purposes of this Act are—

(1) to permit the shipment of new drugs prior to approval in the United States to certain developed countries that meet certain specified regulatory standards;

(2) to protect against the diversion of such drugs to countries that do not have highly sophisticated health regulatory authorities;

(3) to encourage the development and availability of drugs to treat diseases or health conditions which are rare in the United States;

(4) to encourage new capital investment, the creation of new job opportunities in the United States, and maintain the favorable trade balance in pharmaceuticals; and

(5) to enable the United States biotechnology industry to enter foreign markets to the extent permitted by foreign law without licensing their technology to foreign firms.

SEC. 3. Section 801 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 381) is amended by adding at the end thereof the following new subsection:

"(e)(1)(A) A drug (including a biological product) intended for human or animal use which—

"(i) requires approval by the Secretary under section 505 or section 512, or

"(ii) requires licensing by the Secretary under section 351 of the Public Health Service Act or by the Secretary of Agriculture under the Act of March 4, 1913 (known as the Virus Serum Toxin Act),

before it may be shipped in interstate commerce to a country and which does not have such approval or license shall be deemed misbranded, adulterated, and in violation of such sections or Acts unless the drug is shipped by a person only to a country described in paragraph (2) and if the drug meets the requirements of subparagraph (B) and paragraph (3).

"(B) If a drug (including a biological product) described in subparagraph (A) that is manufactured, processed, packaged, or held

in conformity with current good manufacturing practice and that is not adulterated under subsection (a)(1), (a)(2)(A), (a)(3), (c), or (d) of section 501 is shipped by a person to a country in accordance with this subsection, such drug shall not be considered to be in violation of section 505 or 512, section 351 of the Public Health Service Act, or the Act of March 4, 1913 (known as the Virus Serum Toxin Act), and shall not be deemed to be adulterated or misbranded for purposes of this Act.

"(2)(A) A drug described in paragraph (1) may be shipped to—

"(i) a developed country which is on the list established by the Secretary of countries which have an adequate governmental health authority to approve drugs including—

"(I) regulatory procedures to assure adequate scientific review of the animal and clinical studies relating to the safety and effectiveness of drugs before drugs are approved for marketing;

"(II) regulatory procedures to assure that labeling information provided in such country to physicians, pharmacists, and patients is accurate and conforms with the laws of such country;

"(III) regulatory procedures to detect and to record serious problems with respect to the safety of the drug, including adverse drug reactions; and

"(IV) procedures and trained personnel to administer and to enforce the policies of that authority, including the capability to remove or cause to be removed from the market drugs which present a serious safety problem in such country; or

"(ii) a developed country which is on the list established by the Secretary of countries which have an adequate governmental health authority—

"(I) to assure that labeling information provided in such country to physicians, pharmacists, and patients accurately reflects, and is consistent with, the labeling for the drug approved or licensed by a country on the list established by the Secretary under clause (i);

"(II) to detect and to record serious problems with respect to the safety of the drug, including adverse drug reactions;

"(III) to obtain adequate information concerning drugs, including information concerning the legal status of drugs in the United States; and

"(IV) which has procedures and personnel sufficient to administer and to enforce the policies of that authority, including the capability to remove or cause to be removed from the market drugs which present a serious safety problem in such country; or

"(iii) a country which is not included on the list established by the Secretary under clause (i) or (ii) if the Secretary determines that, on the basis of scientific evidence including clinical investigations, the shipment of such drug to such country is justified to promote the public health in such country because of diseases (such as tropical diseases) or particular health conditions in such country which do not exist to a significant extent in the United States.

"(B) Within ninety days after the date of enactment of this subsection, the Secretary shall establish the lists of countries required by clauses (i) and (ii) of subparagraph (A).

"(C) The Secretary shall periodically revise the lists of countries established under clauses (i) and (ii) of subparagraph (A).

"(D) In establishing and revising the lists of countries under clauses (i) and (ii) of subparagraph (A), the Secretary—

"(i) shall consult with independent experts in the field of drug regulation; and

"(ii) shall provide reasonable opportunity for public comment before such lists are established or revised.

"(3) A drug described in paragraph (1) may be shipped by a person to a country on a list established under clause (i) or (ii) of paragraph (2)(A) or a country described in clause (iii) of such paragraph only if—

"(A) the drug meets the requirements of subparagraphs (A) through (D) of subsection (d)(1);

"(B) the drug is not the subject of final action by the Secretary or the Secretary of Agriculture denying, withdrawing, or suspending approval or licensing or otherwise banning the drug on the basis of safety and effectiveness;

"(C) the drug is not the subject of a notice by the Secretary or Secretary of Agriculture of a determination that the manufacture of the drug in the United States for shipment to a country is contrary to the public health and safety in the United States;

"(D) in the case of a drug to be shipped to a country on the list established under clause (ii) of paragraph (2)(A) or a country described in clause (iii) of such paragraph, the drug (or a drug containing the same active ingredient or ingredients) is the subject of—

"(i) a current application for exemption for investigational use from the approval or licensing requirements described in paragraph (1)(A);

"(ii) an application for approval or licensing as described in paragraph (1)(A); or

"(iii) a current drug master file containing all safety information required to be included in an application for an exemption for investigational use from the approval or licensing requirements described in paragraph (1)(A);

"(E) in the case of a drug to be shipped to a developed country on the list established under clause (ii) of paragraph (2)(A)—

"(i) the drug has been approved or licensed by a country included on the list established under clause (i) of paragraph (2)(A);

"(ii) the labeling of the drug accurately reflects and is consistent with the labeling for such drug approved or licensed by a country on the list established under clause (i) of paragraph (2)(A);

"(iii) the labeling is in an appropriate language for the importing country; and

"(iv) the drug is not the subject of an action by a governmental health authority in a country on the list established under clause (i) of paragraph (2)(A) denying or withdrawing approval or licensing or otherwise banning the drug on the basis of safety;

"(F) the person seeking to ship the drug has complied with paragraph (4) with respect to such drug; and

"(G) the outside of the shipping package of such drug is labeled with the following statement: 'This drug may be sold or offered for sale only in the following countries: .', the blank space therein being filled with a list of the countries to which shipment of the drug is authorized under this subsection.

"(4)(A) A person seeking to ship a drug pursuant to this subsection shall submit to the Secretary or the Secretary of Agriculture, at least ninety days prior to the date of the first shipment of the drug, a notice of intent to ship such drug. Within fifteen days after receipt of such notice of intent to ship, the Secretary or Secretary of Agriculture shall publish in the Federal Register a notice which identifies the drug to be shipped and states each country to which the drug will be shipped.

"(B) A person who has met the requirements of this subsection with respect to a drug including the submission of a notice under subparagraph (A) and who seeks to ship such drug to a country on the list established under paragraph (2)(A)(i), which country was not included in the notice submitted under subparagraph (A), shall submit to the Secretary or Secretary of Agriculture, at least fourteen days prior to the date of the first shipment of the drug to that country, a notice of intent to ship.

"(C) A person who has met the requirements of this subsection with respect to a drug and who seeks to ship such drug to a country on the list established under paragraph (2)(A)(ii) for which such person has not submitted a notice under subparagraph (A) with respect to such drug shall submit to the Secretary or Secretary of Agriculture, at least thirty days prior to the date of the first shipment of the drug to that country, a notice of intent to ship. Within fifteen days of receipt of such notice of intent to ship, the Secretary or Secretary of Agriculture shall publish in the Federal Register a notice which identifies the drug to be shipped and states the country to which the drug will be shipped.

"(D) Any notice of intent to ship submitted to the Secretary or Secretary of Agriculture under this paragraph shall—

"(i) identify the drug to be shipped;

"(ii) identify the establishment where the drug has been or will be manufactured;

"(iii) identify each country to which such person will ship the drug;

"(iv) in the case of a drug to be shipped to a country on the list established under paragraph (2)(A)(ii), include a copy of the labeling described in paragraph (3)(E)(ii);

"(v) include, to the extent not in conflict with the laws of the country to which the drug is intended for export, a written agreement from each importer to whom the drug is to be shipped from the United States that such importer will not ship the drug to a country to which the drug may not be shipped under the requirements of paragraph (2)(A) unless prior written consent to the contrary has been obtained from the Secretary or the Secretary of Agriculture; and

"(vi) include assurances that, to the extent not otherwise required under this Act, reports of serious adverse drug reactions known to the person shipping the drug from the United States shall be transmitted promptly to the Secretary for inclusion in a drug master file.

The written agreement required under clause (v) shall be renewed annually or upon the next shipment if such shipment occurs later than one year from the date of the first agreement submitted under this paragraph.

"(5)(A) Within sixty days after a person submits a notice of intent to ship with respect to a drug under paragraph (4)(A), the Secretary or the Secretary of Agriculture may determine that a proposed shipment of a drug does not comply with all the requirements of paragraphs (1) through (4). If the Secretary or the Secretary of Agriculture makes such a determination, the Secretary or the Secretary of Agriculture shall, at the time of such determination, provide such person with a written statement specifying—

"(i) the deficiencies which such person must correct in order to enable such shipment to comply with such requirements; and

"(ii) that such person has a reasonable opportunity to correct such deficiencies within sixty days after receiving such statement.

"(B) If a person who has received a statement under subparagraph (A) does not correct the deficiencies specified in such statement within sixty days after receiving such statement, the Secretary or the Secretary of Agriculture may issue an order stating that the shipment of a drug with respect to which such statement was made does not comply with all the requirements of this subsection and prohibiting such shipment.

"(6)(A) Except as provided in subparagraphs (B) and (C), at any time after the shipment of a drug to a country is permitted under this subsection, the Secretary or the Secretary of Agriculture may determine that such shipment is unlawful because such shipment does not comply with any requirement of paragraph (3), and may issue an order to prohibit such shipment.

"(B) If, at any time after the shipment of a drug to a country is permitted under this subsection, the Secretary or the Secretary of Agriculture determines that such shipment does not comply with subparagraph (A) of paragraph (3) or subparagraphs (C) through (F) of such paragraph, the Secretary or the Secretary of Agriculture shall, prior to issuing an order with respect to such shipment under subparagraph (A) of this paragraph, provide the person who submitted the notice under paragraph (4) with respect to such shipment with a written statement which—

"(i) specifies such determination; and

"(ii) states that such person may, within thirty days after receiving such statement, take such action as the Secretary or the Secretary of Agriculture determines necessary to comply with the requirements of subparagraph (A), (C), (D), (E), or (F) of paragraph (3), as the case may be, in order to permit the shipment of such drug.

"(C) If the Secretary or the Secretary of Agriculture determines that the person who receives a statement under subparagraph (B) does not take the action required by the Secretary or the Secretary of Agriculture under clause (ii) of such subparagraph, or that such person took an action which is inadequate to comply with the requirement of subparagraph (A), (C), (D), (E) or (F) of paragraph (3), as the case may be, the Secretary or the Secretary of Agriculture shall issue an order under subparagraph (A) with respect to such drug. Any such order shall be accompanied by a written statement—

"(i) specifying each requirement of paragraph (3) which has not been complied with relating to such shipment; and

"(ii) stating that the person who is the subject of such order will be provided, on request, with an opportunity for an informal hearing with respect to such order.

"(7) The Secretary or the Secretary of Agriculture, or in the absence of either such Secretary, the officer acting as such Secretary, may prohibit the shipping of a drug to a country or countries authorized under this subsection if the drug has been determined by such Secretary or officer to present an imminent hazard to the public health in such country or countries. A determination by such Secretary or officer under this paragraph shall not be stayed pending final action by a reviewing court. The authority conferred by this paragraph to prohibit the shipment of a drug shall not be delegated by the Secretary or the Secretary of Agriculture, except that in the case of the absence of either such Secretary, such authority may be delegated to the officer acting as such Secretary.

"(8)(A) If at any time the Secretary or the Secretary of Agriculture, or in the absence of either such Secretary, the officer acting as such Secretary, determines that—

"(i) a person is shipping a drug from the United States to an importer;

"(ii) such importer is shipping the drug to a country to which shipment is not authorized under this subsection; and

"(iii) such shipment presents an imminent hazard to public health in the country to which shipment is not authorized under this subsection,

such Secretary or officer shall immediately prohibit the shipment of the drug to such importer, give the person shipping the drug from the United States prompt notice of the determination, and afford such person an opportunity for an expedited hearing.

"(B) If the Secretary or the Secretary of Agriculture, or in the absence of either such Secretary, the officer acting as such Secretary, receives credible evidence that a drug shipped to a country to which shipment is authorized under paragraph (2)(A) has been or is being shipped to a country to which shipment is not authorized under paragraph (2)(A) and if, upon investigation, such Secretary or officer determines that there is a reasonable basis to believe that such drug has been so shipped, such Secretary or officer shall immediately—

"(i) notify the governments of the countries involved; and

"(ii) notify any person shipping the drug from the United States of the shipment of the drug to a country to which shipment is not authorized.

"(C) Any person receiving notification under subparagraph (B) shall investigate the matter and report to the Secretary or the Secretary of Agriculture within fourteen days the findings of such person, if any, regarding the source and cause of the shipment of the drug to a country to which shipment is not authorized under this subsection and the steps the person is taking to remedy any noncompliance with the terms of the importer agreement required under paragraph (4)(D)(v).

"(D) If, sixty days after receiving the findings under subparagraph (C), the Secretary or the Secretary of Agriculture, or in the absence of either such Secretary, the officer acting as such Secretary, determines that despite the efforts taken under subparagraph (C), the person who imported the drug from the United States is continuing to ship the drug to a country to which shipment is not authorized under this subsection, then such Secretary or officer shall prohibit the shipping of the drug to such importer.

"(E) If—

"(i) a person shipping a drug from the United States has been notified under subparagraph (A) that the shipment of the drug presents an imminent hazard, and such person continues to ship such drug from the United States to a prohibited importer, or

"(ii) sixty days after the Secretary receives the findings under subparagraph (C), a person continues to ship a drug from the United States to an importer knowing that the importer is continuing to ship the drug to a country to which shipment is not authorized,

then the drug shall be deemed to be misbranded and shall not be shipped unless prior written consent to the contrary has been obtained from the Secretary or the Secretary of Agriculture.

"(F) The authority conferred by this paragraph shall not be delegated by the Secretary or the Secretary of Agriculture.".

SEC. 4. The list of countries initially established by the Secretary of Health and Human Services under section 801(e)(2)(A)(i) of the Federal Food, Drug, and Cosmetic Act (as added by section 3 of this Act) shall include the following countries unless the Secretary determines that a country should not be included on such list because the country does not have an adequate health authority to approve drugs:

Australia.
Austria.
Belgium.
Canada.
Denmark.
Federal Republic of Germany.
Finland.
France.
Japan.
The Netherlands.
New Zealand.
Norway.
Sweden.
Switzerland.
The United Kingdom.

SEC. 5. (a) Within two years after the date of enactment of this Act and every two years thereafter, the Comptroller General of the United States shall complete a study of, and transmit to the Congress and to the Secretary of Health and Human Services the findings and recommendations of the Comptroller General on—

(1) the extent to which drugs shipped under section 801(e) of the Federal Food, Drug, and Cosmetic Act (as added by section 3 of this Act) are introduced into countries not authorized to receive such drugs by such section, and the effect of such shipment, if any, on the health of the population of such country; and

(2) the extent to which labeling of drugs shipped under such law to countries included on the list established under section 801(e)(2)(A)(ii) of the Federal Food, Drug, and Cosmetic Act (as added by section 3 of this Act) is consistent with the labeling for such drugs approved or licensed by countries on the list established under section 801(e)(2)(A)(i) of such Act (as added by section 3 of this Act).

(b)(1) The Secretary of Health and Human Services shall enter into a contract with the National Academy of Sciences whereby the National Academy of Sciences will undertake a study of—

(A) the economic impact of the provisions of section 801(e) of the Federal Food, Drug, and Cosmetic Act (as added by section 3 of this Act) on employment, capital investment, and trade; and

(B) the effect upon international health of the provisions of such section 801(e).

(2) The contract entered into under paragraph (1) shall contain provisions requiring the National Academy of Sciences to transmit its findings under this subsection to the Congress within five years after the date of enactment of this Act.

(3) The contract entered into under paragraph (1) shall be to such extent or in such amounts as are provided in appropriation Acts.

SEC. 6. (a) Section 526(a)(2) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 360bb(a)(2) is amended by inserting "(including a disease or condition prevalent in a

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developing country)" after "any disease or condition".

(b) Section 5(b)(2) of the Orphan Drug Act (21 U.S.C. 360ee(b)(2) is amended by inserting "(including a disease or condition prevalent in a developing country)" after "any disease or condition".

SEC. 7. Section 402(d)(2) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 342(d)(2)) is amended by inserting before the semicolon "except that this clause shall not apply to confectionery which is introduced or delivered for introduction into, or received or held for sale in, interstate commerce if the sale of such confectionery is permitted under the laws of the State in which such confectionery is intended to be offered for sale".

SEC. 8. The provisions of this Act and of the amendments made by this Act do not authorize the appropriation of any funds for fiscal year 1986.

SEC. 9. Section 412 of the Federal Food, Drug, and Cosmetic Act is amended—

(1) by redesignating subsections (e), (f), and (g) as subsections (h), (i), and (j), respectively;

(2) by striking out the last sentence of paragraph (1) of subsection (h) (as redesignated by clause (1) of this section) and inserting in lieu thereof the following new sentence: "Such records shall be retained for at least one year after the expiration of the shelf life of the infant formula.";

(3) by striking out "subsection (a)(2)" in subsection (j) (as redesignated by clause (1) of this subsection) and inserting in lieu thereof "subsection (a)(3)"; and

(4) by striking out subsections (a) through (d) and inserting in lieu thereof the following:

"(a)(1) An infant formula (including infant formula powder) shall be deemed to be adulterated if—

"(A) such infant formula does not provide nutrients as required by subsection (j);

"(B) such infant formula does not meet the quality factor requirements prescribed by the Secretary under this section; or

"(C) the processing of such infant formula is not in compliance with the good manufacturing practices and the quality control procedures prescribed by the Secretary under this section.

"(2)(A) The Secretary shall by regulation—

"(i) establish requirements for quality factors for infant formulas, including requirements for the nutrients required by subsection (j);

"(ii) establish—

"(I) good manufacturing practices for infant formulas, including quality control procedures; and

"(II) requirements respecting the retention of records,

that the Secretary determines are necessary to assure that an infant formula provides nutrients in accordance with this section and will not cause harm; and

"(iii) establish requirements for the conduct by the manufacturer of an infant formula of regularly scheduled audits to determine that such manufacturer has complied with the regulations prescribed under clause (ii).

"(B) The good manufacturing practices and quality control procedures prescribed by the Secretary under subparagraph (A)(ii) shall include requirements for—

"(i) the testing of each batch of infant formula for each nutrient required pursuant to subsection (j) prior to the distribution of such batch in order to ensure that such formula is in compliance with this section and does not contain any deleterious or otherwise unsafe substance; and

"(ii) regularly scheduled testing of samples of infant formulas during the shelf life of such formulas in order to ensure that such formulas are in compliance with this section and do not contain any deleterious or otherwise unsafe substance.

"(C) The record retention requirements prescribed by the Secretary under subparagraph (A)(ii) shall include requirements for—

"(i) the retention of all records necessary to demonstrate compliance with the good manufacturing practices and quality control procedures prescribed by the Secretary under such subparagraph, including records containing the results of all testing required by subparagraph (B);

"(ii) the retention of copies of all records prepared by suppliers of raw materials and food packaging materials used in the processing of infant formula to demonstrate compliance by such suppliers with all regulations, guidelines, and action levels prescribed by the Secretary with respect to such raw materials and food packaging materials and with respect to infant formula;

"(iii) the retention of all records pertaining to the microbiological quality and purity of raw materials used in infant formula and of finished infant formula (including infant formula powder);

"(iv) the retention of all records of the results of regularly scheduled audits conducted pursuant to the requirements prescribed by the Secretary under subparagraph (A)(iii); and

"(v) the maintenance of files with respect to, and the review of, complaints concerning infant formulas.

Records required under this paragraph with respect to an infant formula shall be retained for at least one year after the expiration of the shelf life of such infant formula. Such records shall be made available to the Secretary for review and duplication upon request of the Secretary.

"(D) In prescribing requirements for audits under subparagraph (A)(iii), the Secretary shall provide that such audits be conducted by appropriately trained individuals who do not have any direct responsibility for ensuring that the manufacturer of an infant formula complies with the regulations prescribed by the Secretary under subparagraph (A)(ii).

"(3) The Secretary may by regulation—

"(A) revise the list of nutrients in the table in subsection (j); and

"(B) revise the required level for any nutrient required by subsection (j).

"(b) No person shall introduce or deliver for introduction into interstate commerce any new infant formula unless an application has been filed pursuant to subsection (c) with respect to such formula and such application has not been disapproved. For purposes of this section, the term 'new infant formula' includes any infant formula for which there has been a change in formulation or processing which may affect whether the formula is adulterated within the meaning of this section.

"(c) A person shall, with respect to any infant formula subject to the provisions of subsection (b), file with the Secretary an application. Each such application shall include—

"(1) full reports of testing demonstrating that such infant formula provides nutrients in accordance with subsection (j) and complies with the quality factor requirements prescribed by the Secretary under subsection (a)(2)(A)(i);

"(2) records demonstrating that the processing of such infant formula complies with the regulations prescribed by the Secretary under subsection (a)(2)(A)(ii); and

"(3) such additional information as the Secretary may by regulation prescribe.

"(d) Within ninety days after an application is filed under subsection (c), or prior to the end of such additional period as may be agreed upon by the Secretary and the applicant, the Secretary shall either—

"(1) approve the application if the Secretary finds that the infant formula complies with the requirements of this section and the regulations prescribed by the Secretary under subsection (a)(2)(A); or

"(2) deny the application.

"(e) An applicant whose application has been denied under subsection (d)(2) may appeal such denial pursuant to procedures specified in regulations prescribed by the Secretary. After the applicant has exhausted the remedies specified in such procedures, the applicant may appeal the denial of such application to the United States court of appeals for the circuit wherein such applicant resides or has his principal place of business, or in the United States Court of Appeals for the District of Columbia Circuit, within sixty days after the entry of the Secretary's final order denying such application.

"(f)(1) If the manufacturer of an infant formula has knowledge which reasonably supports the conclusion that an infant formula which has been processed by the manufacturer and which has left an establishment subject to the control of the manfacturer—

"(A) may not provide the nutrients required by subsection (j); or

"(B) may be otherwise adulterated or misbranded,

the manufacturer shall promptly notify the Secretary of such knowledge and shall immediately take all actions necessary to recall shipments of such infant formula from all wholesale and retail establishments, and to assist such retail establishments in publicizing such recall in a manner reasonably designed to notify purchasers of such infant formula of such recall and the reasons for such recall.

"(2) For purposes of paragraph (1), the term 'knowledge' as applied to a manufacturer means (A) the actual knoweldge that the manufacturer had, or (B) the knowledge which a reasonable person would have had under like circumstances or which would have been obtained upon the exercise of due care.

"(g)(1) If a recall of an infant formula is begun by a manufacturer, the recall shall be carried out in accordance with such requirements as the Secretary shall prescribe under paragraph (2), and—

"(A) the Secretary shall, not later than the 15th day after the beginning of such recall and at least once every 15 days thereafter until the recall is terminated, review the actions taken under the recall to determine whether the recall meets the requirements prescribed under paragraph (2); and

"(B) the manufacturer shall, not later than the 14th day after the beginning of such recall and at least once every 14 days thereafter until the recall is terminated, report to the Secretary the actions taken to implement the recall.

"(2) The Secretary shall by regulation—

"(A) prescribe the scope and extent of recalls of infant formulas necessary and appropriate for the degree of risk to human health presented by the formula subject to the recall; and

"(B) require the posting of a notice of any recall of an infant formula at each place where such formula is sold or was available for sale.".

SEC. 10. (a) Not later than December 31 of each year, the Director of the Office of Management and Budget shall prepare for the Department of State which, in turn shall provide and inform the public and foreign governments, through their embassies in the United States or other appropriate means, an annual report which summarizes—

(1) all final agency actions taken during the preceding fiscal year with respect to banned or severely restricted substances, and

(2) any additional action taken during the preceding fiscal year with respect to banned or severely restricted substances which were first banned or severely restricted during a fiscal year prior to the fiscal year covered by the report.

(b)(1) No banned or severely restricted substance may be exported from the United States unless—

(A) the person intending to export the substance from the United States provides written notice to the agency responsible for carrying out the provision of law specified in subsection (c) which is applicable to the substance, prior to the first shipment to a country after regulatory action, stating such person's intent to export the substance and the intended country of destination; and in addition for notice be made to foreign embassies of all final regulatory actions of the time they are taken.

(B) the agency provides the Secretary of State with a statement concerning the substance which contains—

(i) the name of the substance;

(ii) a summary of any action taken by the agency with respect to the substance, including a description of the grounds for such action and a citation of the statutory authority for such action;

(iii) a description of the determined risks to human health or safety or to the environment that may result from the use of the substance; and

(iv) a specification of the officer or employee of the agency who may be contacted by the government of any foreign country to which the substance is intended to be exported in order to obtain additional information about the substance; and

(C) the Secretary of State delivers a copy of the statement submitted under subparagraph (B) to an appropriate official in the embassy of the country of destination or transmits it to such country by other appropriate means.

(2)(A) The provisions of paragraph (1) shall supersede any other provision of the law to the extent such provision is inconsistent with paragraph (1).

(B) No law enacted after the date of the enactment of this Act shall supersede this subsection unless it does so in specific terms, referring to this Act and declaring that the new law supersedes the provisions of this subsection.

(C) Nothing in this subsection authorizes the disclosure to the public of bona fide trade secrets or other confidential business information.

(c) For the purpose of this section, the term "banned or severely restricted substance" means—

(1) a food or class of food which—

(A) is adulterated, as defined by rules or orders issued under section 402 (a) or (c) (21 U.S.C. 342 (a) or (c)), or

(B) is in violation of emergency permit controls issued under section 404 (1 U.S.C. 344),

of the Federal Food, Drug, and Cosmetic Act;

(2) a drug which is—

(A) Adulterated as defined by rules or orders issued under section 501 (a), (b), (c), or (d) (21 U.S.C. 351 (a), (b), (c), or (d)),

(B) misbranded, as defined by rules or orders issued under section 502(j) (21 U.S.C. 352(j)), or

(C) a new drug or new animal drug for which an approval is not in effect under section 505 (21 U.S.C. 355) or section 512 (21 U.S.C. 360), respectively,

of the Federal Food, Drug, and Cosmetic Act;

(3) an antibiotic drug which has not been certified under section 507 (21 U.S.C. 357) of the Federal Food, Drug, and Cosmetic Act;

(4) a drug containing insulin which has not been certified under section 506 (21 U.S.C. 356) of the Federal Food, Drug, and Costmetic Act;

(5) a device which—

(A) is adulterated, as defined by rules or orders issued under section 501(a) (21 U.S.C. 351(a)),

(B) is misbranded, as defined by rules or orders issued under section 502(j) (21 U.S.C. 352(j)),

(C) does not conform with a performance standard issued under section 514 (21 U.S.C. 360d),

(D) has not received premarket approval under section 515 (21 U.S.C. 360e), or

(E) is banned under section 516 (21 U.S.C. 360f), of the Federal Food, Drug, and Cosmetic Act;

(6) a cosmetic which is adulterated, as defined by rules or orders issued under section 610 (21 U.S.C. 361) of the Federal Food, Drug, and Cosmetic Act;

(7) a food additive or color additive which is deemed unsafe within the meaning of section 409 (21 U.S.C. 348) or section 706 (21 U.S.C. 376), respectively, of the Federal Food, Drug, and Cosmetic Act;

(8) a biological product which has been propagated or manufactured and prepared at an establishment which does not hold a license as required by section 351 (42 U.S.C. 262) of the Public Health Service Act;

(9) an electronic product which does not comply with a performance standard issued under section 358 (42 U.S.C. 263f) of the Public Health Service Act;

(10) a consumer product which—

(A) does not comply with a consumer product safety standard adopted under sections 7 and 9 (15 U.S.C. 2056 and 2058) other than one relating solely to labeling.

(B) has been declared to be a banned hazardous product under sections 8 and 9 (15 U.S.C. 2057 and 2058),

(C) presents a substantial produce hazard under section 15 (15 U.S.C. 2064), or

(D) is an imminently hazardous consumer product under section 12 (15 U.S.C. 2061),

of the Consumer Product Safety Act;

(11) a fabric, related material, or product which does not comply with a flammability standard (other than one related to labeling) adopted under section 4 (15 U.S.C. 1193) of the Flammable Fabrics Act;

(12) a product which is a banned hazardous substance (including a children's article) under sections 2 and 3 (15 U.S.C. 1261 and 1262) of the Federal Hazardous Substances Act;

(13)(A) a pesticide which, on the basis of potential risks to human health or safety or to the environment,

(i) has been denied registration for all or most significant uses under section 3(c)(6) (7 U.S.C. 136a(c)(6)),

(ii) has been classified for restricted use under section 3(d)(1)(C) (7 U.S.C. 136a(d)(1)(C)),

(iii) has had its registration canceled or suspended for all or most significant uses under section 6 (7 U.S.C. 136d),

(iv) has been proceeded against and seized under section 13(b)(3) (7 U.S.C. 136k), or

(v) has not had its registration cancelled, but requires an acknowledgement statement under section 17(a)(2) (7 U.S.C. 1360(a)(2)),

of the Federal Insecticide, Fungicide, and Rodenticide Act, or

(B) a pesticide chemical for which a tolerance has been denied or repealed under section 408 (21 U.S.C. 346(a)) of the Federal Food, Drug, and Cosmetic Act; and

(14) a chemical substance or mixture—

(A) which is subject to an order or injunction issued under section 5(f)(3) (15 U.S.C. 2604(f)(3)),

(B) which is subject to a requirement issued under section 6(a)(1), 6(a)(2), 6(a)(5), or 6(a)(7) (15 U.S.C. 2605(a)(1), 2605(a)(2), 2605(a)(5), or 2605(a)(7)), or

(C) for which a civil action has been brought and relief granted under section 7 (15 U.S.C. 2606),

of the Toxic Substances Control Act.

SEC. 11. (a) There is established in the Department of Health and Human Services the Food and Drug Administration (hereinafter in this subsection referred to as the "Administration"). The Administration shall be headed by a Commissioner of Food and Drugs (hereinafter in this section referred to as the "Commissioner"). The Commissioner shall be appointed by the President by and with the advice and consent of the Senate and shall serve at the pleasure of the President. The Administration shall be administered under the supervision and direction of the Commissioner. The Commissioner shall, in consultation with the Secretary of Health and Human Services (hereinafter in this section referred to as the "Secretary") appoint a Deputy Commissioner and such Associate Commissioners and Directors of functional centers, bureaus, and other administrative units as shall be needed for the effective and efficient discharge of the authorities and functions administered by the Commissioner.

(b)(1) Except as otherwise provided in this subsection, there are transferred to, and vested in, the Commissioner all of the authorities and functions delegated to the Commissioner or to the Assistant General Counsel of the Food and Drug Division by section 5.10 of title 21, Code of Federal Regulations, as of the date of enactment of this Act, without regard to any reservation prescribed by section 5.11 of title 21, Code of Federal Regulations. The Office of the Assistant General Counsel of the Food and Drug Division of the Office of General Counsel within the Office of the Secretary is transferred to the Food and Drug Administration and redesignated the Office of Chief Counsel. The Secretary may delegate to the Commissioner such additional authorities and functions as the Secretary deems appropriate.

(2) The Secretary may require the Commissioner to notify the Secretary of any decisions of the Commissioner which—

(A) establish procedural rules applicable to a general class of foods, drugs, cosmetics, medical devices, or other subjects of regulation; or

(B) present highly significant public issues involving the quality, availability, marketability, or cost of one or more foods, drugs, cosmetics, medical devices, or other subjects of regulations.

(c) The provisions of the third sentence of subsection (a) shall apply to any individual appointed to the position of Commissioner of Food and Drugs after the date of enactment of this Act.

(d)(1) Section 5316 of title 5, United States Code, is amended by striking out the item relating to the Commissioner of Food and Drugs, Department of Health and Human Services.

(2) Section 5315 of such title is amended by adding at the end thereof the following new item: "Commissioner of Food and Drugs, Department of Health and Human Services".

□ 1300

Mr. HATCH. Mr. President, I move to reconsider the vote by which the bill was passed.

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

The motion to lay on the table was agreed to.

Mr. HATCH addressed the Chair.

The PRESIDING OFFICER. The Senator from Utah.

Mr. HATCH. Madam President, I would like to take a few minutes. I do not want to delay the Senate.

I am really gratified by the support of my colleagues in passing S. 1848. It is important legislation. It really is landmark legislation. I think it will make a difference, and above all be a major improvement over current law.

I want to thank all of my colleagues, especially the 13 who supported us on the Labor and Human Resources Committee.

Every one of those people supported us at a time when the bill was new, and when there was a lot of rhetoric flying around.

I want to especially thank several Senators who worked long and hard on this bill, and who played a major part in it. Of course, Senator KENNEDY I have already mentioned. I really appreciated his support of this bill, and the work he has brought to it, including his work in the committee.

Senator QUAYLE on our side worked long and hard on health matters and drug export matters; Senator HAWKINS, who cannot be with us today, and who would have made another vote for this bill had she been here. We all understand her condition. We wish her well.

I know she is doing well because I chatted with her just recently.

I hesitate to not mention others on the Republican side. But let me mention Senator DODD, on the Democratic side, and Senator SIMON in particular. There are people who have had qualms, but also they recognize the efficacy and validity of this bill.

On my staff, of course, my special appreciation goes to our staff director, Ronald Docksai, who really does a terrific job for the Labor and Human Resources Committee, and who has been nominated as Assistant Secretary for Legislation at the Department of Health and Human Services. I think he is one of the all-time best Hill staffers, and somebody very close to me, whom I really love and appreciate.

□ 1310

I extend special thanks to our majority health counsel Doug Campbell. He has carried the weight of this burden all the way through and has done a wonderful job. He has done a technically proficient job and has been very, very good in this undertaking.

Our chief counsel Bill Ryan is new with us, but, nevertheless, is one of the real leaders of pharmaceutical law in this country. He really has come to us as a labor of love because he didn't need the job. He left a good job to work with us on important matters relating to health care. He has just done a terrific job.

Of course, my thanks also go to Myra Cook and Muffie Walsh, our staff assistants, who have done so much in providing staff support.

On the minority side, Tom Rollins, our minority staff director, and Dr. Mona Sarfaty, Nick Allard, and David Nexon have been wonderful to work with and have been a pleasure to work with. I have been honored to work with the quality of staff that we have had working on this bill.

There are many others I would like to thank. I appreciate Senator DOLE bringing this bill to the floor at a time when he thought it might take too much time, though he recognized the importance of the bill. I hope we can take it from here and have cooperation with the Members of the House and pass the bill because it will be a major step forward not only for America but the world at large.

With that, Madam 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. WEICKER. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

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

PROTECTION AND ADVOCACY FOR MENTALLY ILL PERSONS—CONFERENCE REPORT

Mr. WEICKER. Madam President, I submit a report of the committee of conference on S. 974 and ask for its immediate consideration.

The PRESIDING OFFICER. The report will be stated.

The legislative clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 974) to provide for protection and advocacy for mentally ill persons, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by a majority of the conferees.

The PRESIDING OFFICER. Without objection, the Senate will proceed to the consideration of the conference report.

(The conference report is printed in the House proceedings of the RECORD of May 5, 1986.)

Mr. WEICKER. Madam President, I am pleased that the Senate will now turn to, adoption of the conference report on S. 974, the Protection and Advocacy for Mentally Ill Individuals Act of 1986. This bill is a landmark in the history of this Nation's commitment to the care and treatment of its mentally ill citizens.

This bill was developed in response to a 9-month Senate investigation of State institutions for the mentally ill. During the course of this investigation, one thing became painfully obvious: Mentally ill individuals in residential facilities are vulnerable to abuse and neglect, and all too frequently, there is no effective system to protect the rights of these individuals.

The Protection and Advocacy for mentally Ill Individuals Act of 1986 takes a step toward remedying these problems. It provides for the establishment of a protection and advocacy system for the mentally ill in each State, similar to the protection and advocacy system already in existence for our developmentally disabled citizens. Federal funding will be provided to the Protection and Advocacy Agency serving the developmentally disabled, and that Agency may provide services directly to mentally ill persons, or it may subcontract with an existing State or private nonprofit entity currently engaged in the provision of advocacy services. The Protection and Advocacy Agency will have the authority to receive and investigate complaints of abuse and neglect, and to pursue administrative and legal remedies to ensure the protection of mentally ill individuals. Ten million dollars in fiscal year 1986 are already available for fiscal year 1986 to carry out this act, and with enactment of this bill, we expect that these funds will be released expeditiously to begin this new program.

I urge the Senate to adopt this conference report, as the House overwhelmingly did yesterday, in order to protect its most vulnerable citizens from the abuse, neglect and substandard living conditions that are too often their fate. I would also like to thank

Senator HATCH, as chairman of the Committee on Labor and Human Resources, and representative HENRY WAXMAN, chairman of the House Subcommittee on Health and the Environment, for their determined efforts to reach a compromise of which we can all be proud.

Mr. HATCH. Madam President, today I encourage my colleagues to support the conference report to accompany S. 974, the Protection and Advocacy for the Mentally Ill Act. This legislation is a credit to Senator WEICKER who has identified a pressing need throughout our Nation to protect mentally ill citizens from abuse and neglect.

This legislation provides $10 million for protection and advocacy councils in each State to protect citizens who are mentally ill. The funding for this program has already been appropriated and is included in the budget package. Without any further delay, we must approve this legislation and get the money to the programs to begin their work on behalf of mentally ill individuals in America. I urge my colleagues to approve this bill and it is my hope that the President will support its enactment.

Mr. KERRY. Mr. President, I am pleased that the House of Representatives has acted so quickly in accepting the conference report which accompanies S. 974, the Protection and Advocacy for Mentally Ill Individuals Act of 1986. As a conferee, I rise today to urge my colleagues to follow this example and adopt the pending conference report.

The Protection and Advocacy for Mentally Ill Individuals Act establishes a protection and advocacy system for mentally ill persons residing in treatment facilities. The system will be administered through the existing protection and advocacy system under the Developmental Disabilities Act with the ability for the system to subcontract out to other qualified agencies or organizations.

This act is vital to ensuring that the rights of mentally disabled individuals residing in treatment facilities are protected. On April of last year, the Subcommittee on the Handicapped held 3 days of hearings on the care and treatment of mentally ill persons residing in State operated facilities. In addition, Senator WEICKER released a report which documented a 9 month staff investigation into the conditions of 31 State run facilities. The findings were appalling. The extent of neglect and abuse uncovered in their facilities was beyond belief. S. 974 begins to address this pervasive problem by recognizing the obvious need to protect the rights of one of America's most vulnerable groups of citizens, a group who unfortunately is not always capable of advocating for themselves.

Mr. President, the conference report represents a victory to all mentally ill individuals regardless of their economic status. I commend my fellow conferees for eliminating a dangerous provision in the Senate-passed bill which placed a cap on attorney's fees for publicly funded attorneys but did not set the same limitations on attorney's fees for privately funded attorneys. By eliminating this blatant double standard, the conferees endorsed the concept that economically disadvantaged mentally ill citizens will not be singled out and unfairly discriminated against. By removing the cap, the conferees wisely recognized the findings of Senator WEICKER's report which portrayed how the lack of sufficient funding sources seriously impeded the ability of public advocacy groups to adequately work on behalf of all mentally ill persons residing in treatment facilities. Through the deletion of this dangerous provision, conferees demonstrated their understanding of the harmful effects that an attorney's fees cap would have on mentally ill persons, particularly the negative impact on the availability of legal representatives for low-income individuals who most depend on legal services by publicly funded attorneys. This cap simply did a disservice to the process of legislation and Mr. President, I am proud to be a part of its elimination.

I also applaud a provision in the conference report that allows accessibility to records for advocates. This will enable advocates to investigate abuse and provide relief to individuals who might not be able to issue a formal complaint.

In addition, by encouraging institutions to exaust their administrative remedies in a timely fashion, S. 974 prevents prolonged abuse and will further benefit the rights of mentally ill citizens residing in these institutions.

Last, Mr. President, the fact that this is the first new program to assist the Nation's mentally disabled citizens since 1981 is a significant accomplishment worthy of our recognition especially in these times of fiscal constraint. As you may recall, a protection and advocacy system was incorporated into the 1980 Mental Health Systems Act. However, the Reagan administration was relentless in their successful efforts to remove the badly needed protective system that was designed to assist those most in need and least able to represent their needs. It certainly has been a long 5 years Mr. President, and I think this body should be proud to be a party to a new program costing only $30 million over 3 years, which will offer protection to this vulnerable sector of American society. This legislation represents the spirit of our country—the spirit to assist our fellow citizens. Today, we as legislators have the ability to vote for this noble cause by adopting the conference report to S. 974, the Protection and Advocacy for Mentally Ill Individuals Act of 1986.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The conference report was agreed to.

Mr. WEICKER. Madam President, I move to reconsider the vote by which the conference report was agreed to.

Mr. LAXALT. Madam President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. WEICKER. Madam 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.

□ 1350

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

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

LIMITING EXPENDITURES FOR MASS MAILINGS BY SENATORS

Mr. DOLE. Madam President, I ask unanimous consent that the Senate now turn to the consideration of Calendar No. 627, Senate Resolution 374, a resolution limiting the amount that may be expended by Senators for mass mailings during the remainder of fiscal year 1986.

The PRESIDING OFFICER. The clerk will state the resolution by title.

The legislative clerk read as follows:

A resolution (S. Res. 374) limiting the amount that may be expended by Senators for mass mailings during the remainder of fiscal year 1986.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution, which had been reported from the Committee on Rules and Administration with amendments.

Mr. DOLE. Madam 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.

□ 1410

Mr. MATHIAS. 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 Senator from Maryland.

Mr. MATHIAS. Mr. President, the pending resolution reflects the grave concern of members of the Rules Committee and, indeed, of many Members of the Senate over the extraordinary growth in the Senate expenditures for mass mailings.

The committee report on this subject on page 2 reflects this growth, and it is also interesting that the growth alternates between election years and nonelection years.

In 1978, the cost was $47 million—$47 million. 1978, of course, was an election year. The succeeding year, 1979, was not an election year. And the cost was only $38 million—38 and a fraction million dollars, which was $10 million less. The succeeding year, 1980, was an election year. And the cost went up to $64.4 million. 1981 was not an election year, and it dropped back to $43.4 million. But then in 1982, the cost of mass mailings shot up to $97 million. It dropped back a little bit to $86.5 million in 1983, but it was back up again in 1984 to $111.1 million.

In 1985, a nonelection year, it dropped back to $87 million. I am rounding off these figures. In 1986—and we are dealing with an estimated figure—it will be $146.2 million.

We have projected in line with this sawtoothed pattern that it would drop back to $137 million in 1987.

That is the history against which this resolution comes to the floor. We have seen a growth from $47 million in 1978 to an official estimate of $146 million in 1986.

So that would be something more than 3 times as large as the mass mailings in 1978, just 8 years ago. Here is an item which has more than tripled in cost in 8 years. That is the reason members of the Rules Committee have felt obliged to take the action which they took in bringing this resolution to the floor.

There are Members here who are very much concerned about this bleeding ulcer, this kind of a hemorrhage, that we see. They want to do something more drastic than the Rules Committee has done. If they can show us how to do it, I will join with them. But our problem is, of course, that the postal appropriations for mailing are for the entire Congress. They are for both Houses of the Congress. It is not just for the Senate. If it were just for the Senate, then the Senate could control it. But the current appropriation for fiscal year 1986 was made for the Congress.

□ 1420

It is as if we had a bowl of soup and the Members of both Houses were ladling their shares out of it as they go through the years. Fellows who ladle the fastest will end up with the most soup. Those who are not quick with the spoon will end up with the bottom of the bowl.

What accentuates the problem is the fact that although the official estimate for 1986 was $144 million, the Appropriations Committee, providing the funding, only agreed to appropriate $100 million. That $100 million was never an adequate sum. It was never intended to be an adequate sum.

It is my assumption, unless some member of the Appropriations Committee advises me otherwise, that the Appropriations Committee thought they could stretch out the funding, provide $100 million the first crack and then in the supplemental provide the $44 million or such further sum as might be required.

As often happens in life there was a slip between the cup and the lip, and that slip was Gramm-Rudman-Hollings. That had a double-barrelled effect.

Number one, it made it very difficult to provide in the supplemental additional funding which would be required because it would have to be offset with equivalent savings. So the ability to reach out for the $44 million, the $46 million, or whatever the meter would indicate we needed to appropriate, was severely restrained.

In addition to that, under the Gramm-Rudman-Hollings provisions, we also had to accept a reduction, along with other programs in Government, of 4.3 percent, which meant that the $100 million was reduced to $95.7 million. We are now faced with either stopping mailing, going into the red, or throwing ourselves on the mercy of the Postal Service for deficiency funding, with the kind of bad example that sets with every citizen of the country as well as every department of Government. It is really time to shape up and meet our responsibilities in this regard.

If in the other body there were a disposition to simply put the brakes on mass mailing, I think the Senate would probably agree to do that. But I do not know what the disposition of the other body is. The question is one of where we go from here.

The committee in the resolution which has been reported has made a very simple suggestion: Let us see what we have in the fund; what is left. And let me tell you it is not a great deal.

The committee would take what is left, which, as of the 15th of this month is $20 million, and divide it between the Senate and the House. After all, each body in the Congress represents the same number of people which is the total of the United States. We each have the same responsibilities to communicate with our constituents, so the constituents number the same for each body.

So we will take what is available, the $20 million, and we would suggest to the House, by means of this resolution, that we divide that money in half, that the Senate would take its half and would set aside an allowance for committees and for the officers of the Senate of $500,000, which should be more than adequate for the committees and the officers of the Senate to cover their normal mailings for the balance of this fiscal year. Then the remainder, $9,500,000, would be allocated to Senators on the basis of the population of their States.

It is a fair system. It is an equitable system. But I cannot stand here and assure Senators that it will work because the fallacy in it is the willingness of the other body to make a division. Perhaps they will. I hope they will.

If they do, we have something that will get us through the balance of this year without appropriating any additional money, without going into the red, without sending our mail on the cuff.

There are a lot of people in this country who would like to write their mail bills on the cuff instead of running down to the Post Office and buying stamps. Just say, "I will pay you later, Mr. Postmaster." A lot of people would like to do that. We could avail ourselves of that, I suppose, just as a matter of sheer power. But it is not a very good idea and I do not recommend it.

We are, however, in the situation of two sons whose father leaves them a farm. Even though the farm all lies nicely and evenly and it is all rich, fertile land and there is no rocky soil, no barren hilltops—they can almost look at any corner and say it is as good as any other corner—they still have to decide how they are going to divide it up, who will get the east half and who will get the west half; should they divide it north and south or should they divide it east and west. Those are wrenching problems in human existence, and I am afraid we might run into that kind of a problem in trying to divide up this somewhat tattered farm, which is what is left of the postal appropriations for the current year.

One dollar is as good as another. Money is fungible. It ought to be simple to divide up a fund of $20 million and say to the Members of the other body, "There is your half, your $10 million. Spend it any way your prudence and judgment dictates. We will take our $10 million and divide it up so much for the committees and so much for each Member of the Senate."

But the fallacy is that when you have to go through that kind of a division, it requires other people to join in the act. I have no assurance to give to the Senate today that the other body will be interested in this proposition.

What I can tell the Senate is that this is the responsible thing to do, that it addresses a serious problem, that it addresses a problem which is going to get more serious and more troublesome and more embarrassing as long as it is not attended to, and that it lays a plan before the other body, a plan

which I hope they will accept. Or, if they do not accept, a plan which they can propose as an alternative.

This gets the ball rolling. This gets us started on trying to solve the problem.

Our estimate is that as of the 15th of May there is $20 million remaining in the fund. But on the 16th of May there will be less. On the 17th of May there will be still less. On the 18th, 19th, and 20th of May there will be even less than that. That fund will go down very fast.

As a result, we will be at the bottom of that barrel very quickly. Then we will be in a position that we will not only be precluded from mass mailings, but we will have difficulty in even responding to the inquiries and requests that constituents send to us. That is not a healthy situation. That would be unprecedented in the history of this Republic. That is the day that I want to prevent.

So, Mr. President, I urge the Senate to consider very carefully this problem. It is a problem which has ramifications far and beyond the mere question of mass mailings.

□ 1430

It goes to our ability to manage a very practical aspect of Senate business. If we are going to set ourselves up as managers of the national economy, we are going to look pretty foolish if we cannot handle this problem, the postage problem. I hope Senators will take it seriously, that they will offer any alternative suggestions they think are better; but whatever they do, that they get some plan on the books, some proposal in motion before the end of this debate.

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.

□ 1440

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

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

Mr. FORD. Mr. President, I am rising to speak in support of Senate Resolution 374. Senate Resolution 374 was sponsored by myself, Senators MATHIAS, GARN, DECONCINI, CRANSTON, LUGAR, BRADLEY, GLENN, HELMS, and PELL. The name of the distinguished Senator from California [Mr. CRANSTON] was inadvertently omitted from the resolution as reported from the committee. I ask unanimous consent that that omission be corrected.

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

Mr. FORD. I thank the Chair.

Mr. President, the resolution before us would allocate one-half of the funds remaining in the official mail account for fiscal year 1986. It would be divided among Senators on the basis of State population. Further, it urges the House to take similar action.

Mr. President, there is some concern that we ought to send to the House a bill which would require them to do the same thing the Senate is doing. I think we have to show we are willing to do it ourselves; that we are willing to tighten our belt and reduce our expenses, and that basically is what Senate Resolution 374 will do.

The purpose of this resolution is to stretch out the fiscal year 1986 appropriations for official mail costs so that we do not need a supplemental for mail and we do not run up a deficit at the Postal Service. Our procedure in the past has been to spend whatever is necessary, send it out and the U.S. Postal Service would take care of the account and then they would bill us for the amount of money that was overrun of the appropriations. We would just appropriate, by supplemental or otherwise, to pay that bill and it did not make any difference.

What we are trying to do is draw a line and say this is it; we go no further; that we limit the ability of a Senator to mail. Therefore, I am extremely concerned that the Senate show its character and that it will say we are going to limit the use of our franking privilege, particularly in the mass mailing, in the so-called newsletter portion.

The Congressional Budget Office, one we refer to as CBO, estimates that about $20 million remains in the so-called mail account.

I ask unanimous consent, Mr. President, that the CBO estimate be printed in the RECORD.

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

CONGRESSIONAL BUDGET OFFICE,
U.S. CONGRESS,
Washington, DC, May 7, 1986.

If S. Res. 374 is passed and enforced, official mail costs incurred by the Senate could be reduced by about $20 million in fiscal year 1986—but only if no supplemental appropriations are provided for mail costs. If the resolution is passed in mid-May, about $20 million from the existing appropriation would probably be available for the Congress' official mail costs during the remainder of the year, of which $10 million could be used by the Senate. Within the limits established by this resolution, we would expect official Senate mail costs to total about $30 million during the remainder of the year. To the extent that supplemental appropriations are provided, savings would be less.

Mr. FORD. According to the CBO estimate, the resolution would leave the Senate with $10 million to cover official mail costs for the rest of this fiscal year, from now through September 30. I have a breakdown of what each Senator would receive under the terms of the resolution. Mr. President, I ask unanimous consent that it be printed in the RECORD.

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

	Amounts
Total postage available as of May 15, 1986 [1]	$20,000,000
Available for Senate (one-half of total)	10,000,000
Set-aside for committees and officers (5 percent)	500,000
Available for Senators	9,500,000

[1] As estimated by the Congressional Budget Office, May 7, 1986.

Senator	State	State population as of July 1, 1985 (thousands)	State population as percentage of total population	Senators' postage times population percentage
Abdnor	South Dakota	708	0.15	$14,124
Andrews	North Dakota	685	.14	13,665
Armstrong	Colorado	3,231	.68	64,454
Baucus	Montana	826	.17	16,477
Bentsen	Texas	16,370	3.44	326,557
Biden	Delaware	622	.13	12,408
Bingaman	New Mexico	1,450	.30	28,925
Boren	Oklahoma	3,301	.69	65,850
Boschwitz	Minnesota	4,193	.88	83,644
Bradley	New Jersey	7,562	1.59	150,851
Bumpers	Arkansas	2,359	.50	47,059
Burdick	North Dakota	685	.14	13,665
Byrd	West Virginia	1,936	.41	38,620
Chafee	Rhode Island	968	.20	19,310
Chiles	Florida	11,366	2.39	226,735
Cochran	Mississippi	2,613	.55	52,125
Cohen	Maine	1,164	.24	23,220
Cranston	California	26,365	5.54	$525,943
D'Amato	New York	17,783	3.73	354,744
Danforth	Missouri	5,029	1.06	100,321
DeConcini	Arizona	3,187	.67	63,576
Denton	Alabama	4,021	.84	80,213
Dixon	Illinois	11,535	2.42	230,106
Dodd	Connecticut	3,174	.67	63,317
Dole	Kansas	2,450	.51	48,874
Domenici	New Mexico	1,450	.30	28,925
Durenberger	Minnesota	4,193	.88	83,644
Eagleton	Missouri	5,029	1.06	100,321
East	North Carolina	6,255	1.31	124,778
Evans	Washington	4,409	.93	87,953
Exon	Nebraska	1,606	.34	32,037
Ford	Kentucky	3,726	.78	74,328
Garn	Utah	1,645	.35	32,815
Glenn	Ohio	10,744	2.26	214,327
Goldwater	Arizona	3,187	.67	63,576
Gore	Tennessee	4,762	1.00	94,995
Gorton	Washington	4,409	.93	87,953
Gramm	Texas	16,370	3.44	326,557
Grassley	Iowa	2,884	.61	57,532
Harkin	Iowa	2,884	.61	57,532
Hart	Colorado	3,231	.68	64,454
Hatch	Utah	1,645	.35	32,815
Hatfield	Oregon	2,687	.56	53,602
Hawkins	Florida	11,366	2.39	226,735
Hecht	Nevada	936	.20	18,672
Heflin	Alabama	4,021	.84	80,213
Heinz	Pennsylvania	11,853	2.49	236,450
Helms	North Carolina	6,255	1.31	124,778
Hollings	South Carolina	3,347	.70	66,768
Humphrey	New Hampshire	998	.21	19,909
Inouye	Hawaii	1,054	.22	21,026
Johnston	Louisiana	4,481	.94	89,389
Kassebaum	Kansas	2,450	.51	48,874
Kasten	Wisconsin	4,775	1.00	95,254
Kennedy	Massachusetts	5,822	1.22	116,140
Kerry	Massachusetts	5,822	1.22	116,140
Lautenberg	New Jersey	7,562	1.59	150,851
Laxalt	Nevada	936	.20	18,672
Leahy	Vermont	535	.11	10,672
Levin	Michigan	9,088	1.91	181,292
Long	Louisiana	4,481	.94	89,389
Lugar	Indiana	5,499	1.15	109,697
Mathias	Maryland	4,392	.92	87,614
Matsunaga	Hawaii	1,054	.22	21,026
Mattingly	Georgia	5,976	1.25	119,212
McClure	Idaho	1,005	.21	20,048
McConnell	Kentucky	3,726	.78	74,328
Melcher	Montana	826	.17	16,477
Metzenbaum	Ohio	10,744	2.26	214,327
Mitchell	Maine	1,164	.24	23,220
Moynihan	New York	17,783	3.73	354,744
Murkowski	Alaska	521	.11	10,393
Nickles	Oklahoma	3,301	.69	65,850
Nunn	Georgia	5,976	1.25	119,212
Packwood	Oregon	2,687	.56	53,602
Pell	Rhode Island	968	.20	19,310

Senator	State	State population as of July 1, 1985 (thousands)	State population as percentage of total population	Senators' postage times population percentage
Pressler	South Dakota	708	.15	14,124
Proxmire	Wisconsin	4,775	1.00	95,254
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Quayle	Indiana	5,499	1.15	109,697
Riegle	Michigan	9,088	1.91	181,292
Rockefeller	West Virginia	1,936	.41	38,620
Roth	Delaware	622	.13	12,408
Rudman	New Hampshire	998	.21	19,909
Sarbanes	Maryland	4,392	.92	87,614
Sasser	Tennessee	4,762	1.00	94,995
Simon	Illinois	11,535	2.42	230,106
Simpson	Wyoming	509	.11	10,154
Specter	Pennsylvania	11,853	2.49	236,450
Stafford	Vermont	535	.11	10,672
Stennis	Mississippi	2,613	.55	52,125
Stevens	Alaska	521	.11	10,393
Symms	Idaho	1,005	.21	20,048
Thurmond	South Carolina	3,347	.70	66,768
Trible	Virginia	5,706	1.20	113,826
Wallop	Wyoming	509	.11	10,154
Warner	Virginia	5,706	1.20	113,826
Weicker	Connecticut	3,174	.67	63,317
Wilson	California	26,365	5.54	525,943
Zorinsky	Nebraska	1,606	.34	32,037
Total		476,226	100.00	9,500,000

Mr. FORD. Mr. President, the resolution proposes a 7-day moratorium on mass mailings by Senators in order to determine precisely what remains in the account for official mail costs.

□ 1450

Mr. President, the $20 million figure I have mentioned is only an estimate. Once we know the amount remaining in the mail account, a portion will be set aside to cover the routine correspondence of Senate committees and offices for the remainder of the fiscal year. What remains will be allocated among the Senators on the basis of their State population.

Each Senator will have one pot of money for all the mail, to be used as he or she sees fit, for responding to constituents, for advertising of town meeting notices, for newsletters, what have you. The amount each Senator is allocated will constitute the limit on what each Senator can spend on official mail for the rest of this fiscal year. As I said, I have a breakdown of what each Senator would get under the resolution, based on the estimate of $20 million remaining in the account.

Mr. President, in the markup of Senate Resolution 374, the Rules Committee agreed to a minor amendment. The resolution as originally introduced would have set aside the amount for routine correspondence and a separate amount for mass mailings for each Senator.

The committee decided to simplify things—and I underscore "simplify." We find that that is hard to do around here. But we simplify things by setting aside just one amount for each Senator, as I have said, to use as he or she sees fit. That is what the committee amendment would do. I think that is a significant change in the bill.

I want to quote for the RECORD a letter from the Congressional Budget Office as it relates to our mailings. It says:

If S. Res. 374 is passed and enforced, official mail costs incurred by the Senate could be reduced by about $20 million in fiscal year 1986, but only if no supplemental appropriations are provided for mail costs and if this resolution is passed in mid-May.

So what we are doing here is passing a resolution; we are having a 7-day moratorium; we are finding out how much money remains. We divide that in half, between the Senate and the House. The Senate will use its money based on State population. A Senator can do as he or she wishes with that money—mass mailing, town meeting notices, individual correspondence, whatever—and that will be his or her responsibility.

So we have a chance here to make a good faith effort, as Members of the U.S. Senate, to do what we should have been doing some time ago.

Mr. President, I urge my colleagues to give this resolution very serious consideration, and I hope we can pass it. I know there are others who would like to go even further than we are going, and others would not want to do anything at all. But, on balance, I think this resolution is good. It says to the constituents: "We are trying." It says to the House: "Come forward now. The Senate has made its effort; you should do the same." Maybe there is a moral obligation on the House to give consideration to it. Maybe after this resolution is passed, we can pass something similar in legislation that would go to the House and put it on their calendar and say, "You should give consideration to this, as the Senate has done."

So, Mr. President, I urge my colleagues to support this resolution, and I hope we can pass it quickly this afternoon.

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.

□ 1500

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

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

The Senator from Oklahoma is recognized.

Mr. NICKLES. Mr. President, in regards to the Senate resolution that we have before us, first I compliment our distinguished colleague and chairman of the Rules Committee, Senator MATHIAS, for bringing this issue of congressional mail before the Senate.

Also I wish to congratulate my colleagues, Senator QUAYLE and Senator WILSON, for their leadership in saying that we need to contain and control the outrageous escalation of cost in congressional mail.

Senator MATHIAS showed a great deal of courage when he earlier stated and came up through the Rules Committee and said we needed to disclose the cost of mail in the Senate. I know there is a considerable amount of flack that he received and members of the Rules Committee received when they said, "Yes, we are going to disclose the mail costs." It had not been done before. It needed to be done.

Unfortunately, it was only done in the Senate. It needs to be done in the House of Representatives as well as the Senate so we can have total disclosure and, hopefully, get some self-discipline that we have not seen in the past.

So I congratulate Senator MATHIAS for the disclosure provisions. That was a very positive, a very needed reform.

But we really need to go further and we really need to go further than this resolution that we have before us tonight. This resolution is a Senate resolution. It does not have the force and effect of law, and it will probably in all probability be totally, completely ignored by the House of Representatives.

As the chairman of the Rules Committee outlined, if the Senate says we are going to have some discipline but the House of Representatives shows no discipline, the taxpayers do not really receive anything, any benefit out of it. Right now the taxpayers are really being cheated or abused by the franking system.

We have an unlimited entitlement for congressional franking for mail costs. We have Gramm-Rudman, so to speak, and we say it touches a lot of areas. But it does not touch this area. We have one open entitlement and someone must come back and say, "Wait a minute, yes, we did, we appropriated $100 million and under Gramm-Rudman that has been reduced by $4.5 milion so we saved that amount of money." That is not correct.

I wrote a letter, not only myself but also Senator GRAMM, Senator QUAYLE, and Senator WILSON, to the Comptroller General of the United States and asked them under the Antideficiency Act when we ran out of money will they not have to stop allowing Congress to send more mail out under the frank? That is the way I thought it would probably happen. We received a letter from the Comptroller General, dated May 2, 1986, and I ask unanimous consent that the entire letter and enclosure from the Comptroller General that discusses this be printed in the RECORD to allow my colleagues to understand the thrust of the issue.

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

COMPTROLLER GENERAL OF
THE UNITED STATES,
Washington, DC, May 2, 1986.

Hon. DON NICKLES,
United States Senate.

DEAR SENATOR NICKLES: This letter is in response to the inquiry dated March 10, 1986, signed by you and Senators Phil Gramm, Dan Quayle, and Pete Wilson, as to whether the Antideficiency Act (31 U.S.C. § 1341-1351) is violated when the cost as billed by the Postal Service of delivering congressionally franked mail exceeds the amount appropriated in a given fiscal year. In this respect, you point out that the amount appropriated for congressionally franked mail for fiscal year 1986, after reduction pursuant to the Balanced Budget and Emergency Deficit Control Act of 1985 (Public Law 99-177), is $95.7 million while the estimated cost of handling congressional mail during the fiscal year is $146 million.

The Antideficiency Act prohibits an officer or employee of the Government from making or authorizing an expenditure or obligation in excess of the amount available in an appropriation or fund for the expenditure or obligation. It also prohibits commitments for the payment of money in advance of an appropriation unless otherwise authorized by law. 31 U.S.C. § 1341. For the reasons which are explained in greater detail in the enclosed Office of General Counsel staff discussion paper, we conclude that no violation of 31 U.S.C. § 1341 is incurred when the cost of handling franked mail exceeds the amount appropriated by the Congress to pay the Postal Service for handling the franked mail. This practice is authorized by 39 U.S.C. § 3216(c) which makes the lump-sum appropriation made to the legislative branch for payment to the Postal Service full payment for all matter mailed under the frank. Furthermore, absent later appropriations for additional costs incurred by the Postal Service for delivery of franked mail, the Postal Service is entitled to receive no more than the amount already appropriated by the Congress for fiscal year 1986 for payment for handling franked mail, as reduced by any sequestrations under Public Law 99-177.

Sincerely yours,

MILTON J. SOCOLAR,
For Comptroller General of the United States.

[Enclosure]

OFFICE OF GENERAL COUNSEL STAFF
DISCUSSION PAPER

The evolution of the congressional franking privilege is discussed in the following passage from the report of the Senate Post Office and Civil Service Committee prepared in connection with Congressional franking reform:

BACKGROUND

"History

The word "frank" is derived from the Latin francus which means "free." The franking privilege denotes the right of a governmental official to send matter through the public mails free of postage. This privilege, as it applies to Members of Congress, is older than the Declaration of Independence itself, having been enacted by the Continental Congress on November 8, 1775. On October 18, 1782, the franking privilege was extended to letters, packets and dispatches to and from Members of the Continental Congress.

Franking Laws 1789 to Present

The First Congress enacted in 1789 practically the same laws as were in existence under the Continental Congress. In 1792, the law was changed to specifically include the Vice President, Members of the House and Senate, and assistants.

During the 1800's the franking privilege enjoyed by the Congress was alternatively broadened and limited depending upon the mood of the citizen. In 1845, legislation was passed conferring the right of the Secretary of the Senate and Clerk of the House of Representatives to use the franking privilege.

Due to alleged excessive abuses, the franking privileges for Congressmen were discontinued for a few years in the mid-nineteenth century.

Little was done until 1957 when the uniform date was established for termination of the right to use the frank by former Congressmen [on] June 30 following the expiration of their term of office. * * * The privilege, with but the one exception, has continually been in effect for nearly 200 years.

Justification

The reasons underlying the franking policy are fundamentally sound. Free transmission of letters on governmental business is directly connected to the well-being of the people because of the nature of the legislative function. The franking privilege serves as an aid and auxiliary in informing the populace since most Members of Congress would be unable to afford correspondence with their constituency in the absence of the privilege. It may also be stated that the use of franked mail for official business also provides an efficient means of posting since the Postal Service is not required to stamp and cancel franked mail." S. Rep. No. 93-461, 93d Cong., 1st Sess. 2 (1973).

The current statutory authority for Members of the Congress and others to use the franking privilege is set forth generally in chapter 32 of title 39, U.S.C. and 2 U.S.C. § 31b-4 (1982).

While use of the franking privilege means that costs are not paid by those entitled to use the frank, the costs obviously must be borne by someone. Until 1953 all costs connected with the frank were borne by Post Office Department appropriations. These appropriations were funded by postal revenues and when these were inadequate, the deficit was made up out of the general fund of the Treasury. In 1953 the Congress first authorized lump-sum appropriations to pay the postage on mail sent under the frank. Act of August 15, 1953, ch. 511, § 2, 67 Stat. 614. Since the use of the frank itself was not limited, the practice initially followed was for the Post Office Department to request payment in the appropriation request submitted for the fiscal year following the fiscal year to which the billing applied. Congress then appropriated amounts it deemed sufficient based upon its determination of the propriety of the billing.[1] The amount appropriated was also immediately made available for payment to the Post Office rather than awaiting the beginning of the fiscal year of the act in which it was contained in order to make the funds available as soon as possible. This practice continues today.

In 1970, the United States Postal Service was established and the Post Office Department was abolished by the Postal Reorganization Act. Pub. L. No. 91-375, Aug. 12, 1970, 84 Stat. 719. The Postal Service at its first opportunity requested that Congress change the timing of payments to the Postal Service for its handling of franked mail. The Postal Service desired to shorten the time elapsed between when it handled the franked mail and when it received payment related to handling the franked mail. Thus it requested an end to the practice of requesting payment in the fiscal year appropriation following the fiscal year during which the service was rendered and upon which the request was based. Under the proposed new system, quarterly billings would be made based upon estimated volume. These estimated billings would be adjusted at the end of the fiscal year based upon actual volume.

Appropriations would thereafter be requested in advance based upon Postal Service estimates similar to the way Government agencies request operating appropriations. While the billings would be reconciled with actual volume of franked mail handled upon close of the final quarter, actual payments could not exceed appropriations. To address the problem of shortfalls caused by Postal Service under estimates in its initial budget request, or changes in the method employed by the Postal Service to determine its billing to the Congress, the Congress also adopted the practice of adjusting the final quarter's billing through use of the next fiscal year's appropriations. However, no requirement was imposed upon the Congress to appropriate funds to cover the adjusted billings and no effort was made to limit the use of the franking privilege.[2] In fiscal year 1982, the Postal Service began monthly billings for franked mail based upon one-twelfth of the amount of the appropriation for "Official Mail Costs" made for the fiscal year. The Postal Service also provides quarterly reports to show actual usage and to revise its estimate of actual yearly costs. Total billings may not exceed the amount appropriated. Any shortfalls are to be considered during the following fiscal year's appropriation request.[3] This is the current procedure.

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[1] See H.R. Rep. No. 1557, 87th Cong., 2d Sess., accompanying the Legislative Branch Appropriations Bill for 1963, 8 (1962); Legislative Branch Appropriations for 1962; Hearings before the Subcommittee of the Committee on Appropriations House of Representatives, 86th Cong., 2d Sess. 273-274 (1961); H.R. Rep. No. 1607, 86th Cong., 2d Sess., accompanying the Legislative Branch Appropriations Bill, 1961, 4-5 (1960); and Legislative Branch Appropriations for 1961 hearings before the Subcommittee of the Committee on Appropriations House of Representatives, 86th Cong., 2d Sess. 293-296 (1960).

[2] See H.R. Rep. 92-937, 92d Cong. 2d Sess., accompanying the Legislative Branch Appropriations Bill, 1973, 10-11 (1972); Legislative Branch Appropriations for 1973, hearings before a Subcommittee of the Committee on Appropriations House of Representatives, 92d Cong., 2d Sess. 840-845 (1972); Legislative Branch Appropriations, 1973, Hearings before the Senate Appropriations Committee, 92d Cong., 2d Sess., 449-460 (1972). Rule XLVI of the House of Representatives limiting use of the frank by Members of the House under 39 U.S.C. § 3210(d) (relating to mass mailings) was adopted by the House on March 2, 1977 (H. Res. 287, 95th Cong., 123 Cong. Rec. 5952-5953) and currently constitutes the only limitation upon the amount of the use of the frank that we are aware of.

[3] See Legislative Branch Appropriations for 1982 Hearings before a Subcommittee of the Committee on Appropriations House of Representatives, 97th Cong., 1st Sess. 345-346 (1981).

DISCUSSION

At the time that the Postal Service proposed the change to the payment procedure to decrease the time between its rendering the service and receiving payment, Congress amended 39 U.S.C. § 3216 to provide:

"§ 3216. Reimbursement for franked mailings

(a) The equivalent of—

(1) postage on, and fees and charges in connection with, mail matter sent through the mails—

(A) under the franking privilege * * * by the Vice President, Members of and Members-elect to Congress, the Secretary of the Senate, the Sergeant at Arms of the Senate, each of the elected officers of the House of Representatives (other than a member of the house), the Legislative Counsels of the House of Representatives and the Senate, the Law Revision Counsel of the House of Representatives, and the Senate Legal Counsel; and

(B) by the survivors of a Member of Congress under section 3218 of this title; and

(2) those portions of fees and charges to be paid for handling and delivery by the Postal Service of Mailgrams considered as franked mail under section 3219 of this title;

shall be paid by a lump-sum appropriation to the legislative branch for that purpose and then paid to the Postal Service as postal revenue. * * *

(c) Payment under subsection (a) * * * of this section shall be deemed payment for all matter mailed under the frank and for all fees and charges due the Postal Service in connection therewith."

Subsection (c) of this provision was new and for the first time expressly stated what had been implied since 1953—that regardless of the cost incurred by the Postal Service in handling franked mail, the amount the Congress appropriated to the Postal Service would be considered payment in full for that service.

Accordingly, exercise of the franking privilege without regard to amounts appropriated for payment to the Postal Service for this service is authorized by law and thus not a violation of 31 U.S.C. § 1341.[4] Members, therefore, are authorized to use the franking privilege and the Postal Service is required to handle franked mail regardless of the amount appropriated by the Congress for "Official Mail Costs." Should the actual costs of handling franked mail exceed the amount appropriated (as reduced by any sequestrations under Public Law 99-177), no violation of 31 U.S.C. § 1341 would occur since the amount appropriated is as a matter of law deemed full payment for all matter sent under the frank. Therefore, if the amount billed exceeds the amount appropriated, the Postal Service should be paid only the amount appropriated as reduced by sequestration unless additional funds are provided by a supplemental appropriation.

DIGEST

No violation of 31 U.S.C. § 1341 is incurred when the cost of handling franked mail exceeds the amount appropriated by the Congress to pay the Postal Service for handling the franked mail. This practice is authorized by 39 U.S.C. § 3216(c) which makes the lump-sum appropriation made to the legislative branch for payment to the Postal Service full payment for all matter mailed under the frank. Furthermore, absent later appropriations for additional costs incurred by the Postal Service for delivery of franked mail, the Postal Service is entitled to receive no more than the amount initially appropriated for the fiscal year in question for payment for handling franked mail, as reduced by any sequestration under Pub. L. 99-177.

Mr. NICKLES. Mr. President, I was kind of shocked by the results.

It says that we conclude—and, again, this is written for the Comptroller. He says, ". . . we conclude that no violation of the U.S.C. 1341 is incurred when the cost of handling franked mail exceeds the amount appropriated by the Congress to pay the Postal Service for handling franked mail."

It says, "This practice is authorized by 39 U.S.C. Code 3216(c) which makes the lump-sum appropriation made to the legislative branch for payment to the Postal Service full payment for all matter mailed under the frank."

In other words, Mr. President, if Congress appropriated $15 million and this is all we appropriate to the Postal Department, that is all they are going to get and they would continue paying for all the franked mail. In other words, all the rest of the postal patrons, all the people who are using the mail would have to absorb the excess costs Congress is putting on them.

So, in other words, what the Comptroller General said, "Well, Congress, you really don't have to appropriate anything or anything you do appropriate is full payment, total complete, full payment." So if we appropriate $50 million and the mail cost turns out to be $200 million the rest of the users of the postal service have to absorb that cost into their rates.

That is ridiculous and we should not allow that to happen. We should manage this unlimited entitlement that we have today. I do not think it is fair. A lot of us talk about controlling or maintaining entitlements. This is one entitlement that has not been controlled. It is out of control. It was out of control before Gramm-Rudman passed and it is totally out of control today.

Senator MATHIAS brought out the point that 1978, in an election year, the total amount of money that was spent in congressional mail was $47 million. Today we are looking at $146 million, over three times as much money only 8 years later, a phenomenal rate of growth, and unfortunately it does not look like it is peaking out. It is continuing to escalate.

We talk about trying to maintain entitlements. This one is totally, completely out of control. It needs to be controlled. If we cannot control our own mail expenses in the Senate and in the House of Representatives, I think we are showing a great deal of lack of management.

So we have before us the Senate resolution that says, well, let us just take the amount of money that is remaining—there is about $20 million—let us divvy that up between the House and the Senate and let us allocate that amongst the Members in the Senate on a population basis. That is a good proposal. We should do it. That means, yes, we would have $10 million in the Senate and that would keep us under Gramm-Rudman. It would mean our total mail expense, if the House would also act accordingly, the total amount of mail expense would be $96 million this year. We would be within budget. We would actually be a little less than what we spent in the year 1982.

So that would be a positive move.

Unfortunately, the House has shown no inclination whatsoever to do this.

So we can pass a nonbinding resolution and really what have we ended up with? We might make ourselves feel a little better. I doubt unless we get some cooperation from the House of Representatives that we will really see any real reform in this open-ended entitlement that we now have before us.

I would hope that we can come up with a stronger resolution, a concurrent resolution, a binding resolution, a bill, and make that bill law, make it binding, make us allocate amongst every Member in the Senate and every Member in the House, give them an allocation that would be used. "Here, Mr. Senator," or "Here, Mr. Congressman, here is how much money you have for the entire year. You can spend it if you want to spend it in franking, if you want to spend it on notification of meetings on constituent mail, but this is your allocation. If you do not spend it all then you turn it back to the Treasury."

□ 1510

Senator QUAYLE has introduced legislation along those lines. I have cosponsored that legislation. I think that is exactly what we need, and we need it by both Members of the Senate and Members of the House if we are going to be successful in getting this open-

[4] We note that the appropriation for "Official Mail Costs" in the annual Legislative Branch Appropriations Act is deemed postal revenue by virtue of 39 U.S.C. § 3216(a). Postal revenue is required by law to be deposited to the Postal Service Fund, 39 U.S.C. § 2003(b)(1), and immediately appropriated to the Postal Service, 39 U.S.C. § 2401(a). Since the fund is a no-year revolving fund, it is available to pay all expenses incurred by the Postal Service in carrying out its authorized functions no matter when they are incurred. Thus the appropriation for "Official Mail Costs" once paid to the fund is available for payment of expenses of the Postal Service no matter when they were incurred.

We also note that 39 U.S.C. § 410(a) provides that Federal laws "dealing with public or Federal contracts, property, works, officers, employees, budgets, or funds" do not apply to the exercise of powers by the Postal Service unless as provided by 39 U.S.C. § 410(b) or some other provisions of title 39, U.S.C. The Antideficiency Act is not one of the laws listed in 39 U.S.C. § 410(b). No other provision of title 39, U.S.C. expressly makes the Antideficiency Act applicable to the Postal Service.

Thus it is clear that the Antideficiency Act is inapplicable to the Postal Service when billing Congress for handling franked mail.

ended entitlement reformed and under control.

So, again, I congratulate the authors, Senator FORD and Senator MATHIAS, for bringing this resolution forward. I would certainly like to see it strengthened, if possible, in statutory form or at least in a concurrent resolution where it would apply to the House as well.

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.

□ 1540

Mr. HUMPHREY. 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. 1958

(Purpose: To make technical amendments to Senate Resolution 353 of the Ninety-ninth Congress)

Mr. HUMPHREY. 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 New Hampshire [Mr. HUMPHREY] proposes an amendment numbered 1958.

Mr. HUMPHREY. 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:

At the appropriate place, insert the following new section:

SEC. . Section 23 of Senate Resolution 353 of the Ninety-ninth Congress (as agreed to by the Senate on March 13, 1986) is amended—

(1) by striking out in subsection (a)(2) "adoption of this resolution" and inserting in lieu thereof "May 14, 1986"

(2) by amending subsection (c) to read as follows:

"(c) None of the funds may be obligated from the contingent fund of the Senate to carry out any provision of this section on or after a date 30 days after the date on which the report described in subsection (a)(2) is submitted.".

Mr. HUMPHREY. Mr. President, back in March, the Senate adopted an amendment sponsored by Senator DOLE and Senator DIXON.

The PRESIDING OFFICER. The Chair advises that the committee amendment is pending. It will take unanimous consent to set it aside.

Mr. HUMPHREY. I ask unanimous consent that the committee amendment be set aside.

Mr. MATHIAS. Mr. President, reserving the right to object, does the Senator want to set the committee amendment aside or amend it?

The PRESIDING OFFICER. Does the Senator want to set the committee amendment aside or would he like to amend it?

Mr. HUMPHREY. The Senator from New Hampshire wishes to amend the resolution.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator may proceed.

Mr. HUMPHREY. Mr. President, in March, the Senate adopted a resolution in the form of an amendment sponsored by Senator DOLE, Senator DIXON, and me, the intent of which was to establish a Senate panel to investigate the case of Miroslav Medvid, the Ukranian sailor who jumped ship back in October. Some weeks were necessary to iron out administrative difficulties following the Senate's adoption of that amendment. The purpose of the amendment which I have now submitted is to restore the 1-year charter; that is, to make us whole with respect to time.

It is that simple. It is a technical amendment to a Senate resolution passed in March. I understand it is agreeable to the majority and the minority floor managers.

Mr. MATHIAS. Mr. President, the Senator is correct. There is no objection registered with me. I have no objection on this side.

Mr. FORD. Mr. President, there is no objection to the Senator's amendment on this side. It merely extends the resolution by 2 months. That takes the slack out of the 2 months' delay in working out the budget and the approval by the Rules Committee. I think the distinguished Senator from New Hampshire, under the circumstances, is entitled to 2 months.

This side has no objection.

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

The amendment (No. 1958) was agreed to.

Mr. HUMPHREY. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. FORD. I move to lay this motion on the table.

The motion to lay on the table was agreed to.

FIRST COMMITTEE AMENDMENT

Mr. MATHIAS. Mr. President, what is the pending question?

The PRESIDING OFFICER. The pending question is the first-reported committee amendment.

The amendment is as follows:

On page 2, line 3, strike "costs for mass mailings", and insert "official mail costs";

Mr. FORD. Mr. President, we have no objection to the committee amendment on this side. We are prepared to accept the amendment.

The PRESIDING OFFICER. The question is on agreeing to the first committee amendment.

The first committee amendment was agreed to.

REMAINING COMMITTEE AMENDMENTS

Mr. FORD. Now what is the pending business, Mr. President?

The PRESIDING OFFICER. The second reported committee amendment is now the pending business.

Mr. FORD. Mr. President, my distinguished colleague [Mr. MATHIAS] will agree with this, I hope. These are just technical amendments that change lines to strike words like "costs for mass mailings" and insert in lieu thereof "official mail costs."

I wonder if we might take these en bloc.

Mr. MATHIAS. Mr. President, the Senator from Kentucky makes a practical suggestion as he usually does. I suggest that we take all the committee amendments en bloc.

Mr. FORD. I ask unanimous consent that we consider all these amendments en bloc.

The PRESIDING OFFICER. Is there objection?

Hearing none, it is so ordered.

The committee amendments are as follows:

On page 2, line 11, strike "costs for mass mailings", and insert "official mail costs";

On page 3, line 7, strike "the costs of mass mailings", and insert "official mail costs";

On page 3, line 13, after "costs", insert "(for the Senate)";

On page 3, line 17, strike "(other", through and including "mailings)" on line 18;

On page 3, line 18, strike "Senators,";

On page 3, beginning on line 22, strike "for the costs of official mailings", and insert "for official mail costs";

On page 4, beginning on line 23, strike "the costs of mass mailings", and insert "official mail costs";

On page 5, line 8, strike "3210(a)(5)(D)", and insert "3210(a)(6)(E)".

The PRESIDING OFFICER. The question is on agreeing to the committee amendments en bloc.

The committee amendments were agreed to en bloc.

Mr. FORD. Mr. President, the pending business now is the resolution itself; am I correct?

The PRESIDING OFFICER. The Senator is correct.

Mr. MATHIAS. Mr. President, I should propose that in the next few minutes, we act on the resolution but, in order that any Senator who wishes to speak may have that opportunity, I shall suggest the absence of a quorum. I suggest that it not last more than a minute or two. Then I shall ask unanimous consent to call it off and proceed with the vote.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

□ 1600

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

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

Mr. WARNER. Mr. President, I commend the chairman and ranking minority member of the Rules Committee for the resolution they introduced, Senate Resolution 374, and I support it. However, this only solves the problem until the end of this fiscal year. We must take additional action for forthcoming years.

One of my most important tasks as a U.S. Senator is to maintain an awareness of the interests and concerns of the people I was elected to represent. One of the most important ways of doing this is through written communications. However, in response to the Gramm-Rudman-Hollings deficit reduction law, Congress cannot continue at the current rate we are spending on franking privileges. We are asking the people of the United States to tighten their belts, and we should set the example. One of the biggest costs of congressional mailings is the newsletter. I sent one newsletter during 1985 and have not sent any during this calendar year. I, of course, respond to all written requests from my Virginia constituents.

Congressional franking costs have increased dramatically in recent years. From 1978 to 1980, the costs increased by 36 percent; from 1980 to 1982, 51 percent; from 1982 to 1984, 14 percent; and, are estimated to increase 32 percent from 1984 to 1986 unless action is taken.

Unless we act immediately, franking costs will have risen almost $100 million in just 8 years—from the 1978 level of $47 million to the $146 million projected for this year.

Mr. President, I urge my colleagues to vote favorably on this resolution.

Mr. MATHIAS. Mr. President, I hope to be in a position within the next few minutes to suggest a unanimous-consent agreement which will provide a means for moving the debate along a little faster than it is presently moving, pulling it out of the slough of despondency into which we have fallen. I will do that just as soon as the agreement has been cleared on both sides of the aisle.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The cleak will call the roll.

The bill clerk proceeded to call the roll.

□ 1640

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, for the record, what is the parliamentary situation right now?

The PRESIDING OFFICER. The question is on Senate Resolution 374.

Mr. BYRD. With no time limitation?

The PRESIDING OFFICER. With no time limitation.

MR. GORBACHEV SPEAKS ON CHERNOBYL

Mr. BYRD. Mr. President, the Soviet leader, Mr. Gorbachev, addressed the Soviet people today on the tragic accident which occurred at a nuclear powerplant at Chernobyl. It was a statement on the details and the current status of that catastrophic event.

The use of the medium of television to inform the Soviet people of major events which so vitally affect their lives, and indeed the lives of all of us, is a new and welcome development by Mr. Gorbachev.

I also welcome the proposal that the Soviet leader made to upgrade the capabilities of the International Atomic Energy Agency in Vienna to provide effective and prompt assistance in the event of future emergencies which might occur at nuclear powerplants. That is certainly a proposal that bears consideration—or further consideration if the matter, indeed, has not already been discussed—in any event, I am sure that it will be given consideration. It may have been given consideration heretofore. But in any event, that is a proposal which I am sure our Government will consider, as well as others.

In addition, Mr. Gorbachev expressed his appreciation for the assistance which has been provided by medical experts and doctors from the United States.

Despite these positive points, Mr. President, there were several aspects of Mr. Gorbachev's address which are very troubling and disappointing.

First, he has hurled a heavy fistful of outrageous rhetoric at the United States, charging our Government with a campaign of intentional lies regarding what happened at the Chernobyl plant.

The root cause of whatever inaccuracies appeared in the press of the West was the totally inadequate provision of basic information by Soviet authorities on what had happened. It should not have been necessary for Sweden to have to find out that something had gone terribly wrong in the Soviet Union only by detecting abnormally high levels of radiation in the atmosphere over that nation.

Lack of at least basic notice by Soviet authorities is inexcusable and callous to people everywhere, including the people of the Soviet Union, and including the people of the adjoining countries which stood to be affected by the fallout from the accident.

Mr. President, Mr. Gorbachev in his address today characterized the United States as conducting an "immoral campaign" intended to "blacken the Soviet Union's foreign policy." He went on to charge the United States with taking advantage, in his words, of that tragedy to whip up the arms race. The tone of his remarks was discouraging—it was sour, defensive, combative and unnecessarily negative.

Has Mr. Gorbachev, with a sum total of about a year in office, given up on making progress in building a more constructive relationship with the United States? Let us hope not.

Mr. President, the Soviet leader has renewed the Soviet Union's testing moratorium until August 6, which is the anniversary of Hiroshima. Further, he has offered to meet President Reagan at the city of Hiroshima to discuss arms control.

This last idea is a blatant, back-of-the-hand, gratuitous and cynical insult to the United States, to the President of the United States, and the people of the United States, and a blatant propaganda ploy.

The decision by the United States to drop a nuclear weapon on Japan was taken to shorten the war and to save hundreds of thousands of lives—American lives, Japanese lives and, I would add, Russian lives, the lives of military men and women of the Soviet Union, since the leader of that country, Mr. Stalin, had promised to open a front against Japan; lives which would have been lost if a land war on the Japanese Islands had been necessary to convince the Emperor to surrender.

□ 1650

I agree with Mr. Gorbachev that it is time to get down to specifics on the full range of arms control questions on the table in Geneva. The Chernobyl accident should sober up all of us—I said that some days ago; sober up all of us—the leaders in the Soviet Union, the leaders in the Warsaw Pact countries, leaders in all countries including our own country—to the terrible penalties that our technology can impose upon us if it goes awry. It reinforces the urgency of coming to grips with safeguards, both technological and political, upon the nuclear genie. The superpowers do not have unlimited time to reach more adequate controls of the nuclear arms race.

Instead of reacting to the Chernobyl accident as an opportunity to practice his propaganda skills against the West on TV, Mr. Gorbachev would be well advised to instruct his negotiators in Geneva to respond to the latest American proposals on intermediate range nuclear forces in Europe. Instead of cynical invitations to dine together in Hiroshima, Mr. Gorbachev might better answer his mail regarding intercontinental strategic nuclear forces.

Last September, I met with Mr. Gorbachev, and with me were seven other Members of the Senate representing both sides of the aisle, both parties—the President pro tempore of the Senate (Mr. THURMOND), and Senator WARNER on the other side, and Senator PELL as the ranking member of the Foreign Relations Committee on this side, Senator SARBANES, Senator MITCHELL, Senator DECONCINI, and Senator NUNN. We met with Mr. Gorbachev and told him that it would be a mistake for him to wait for the Reagan administration to end in the hope of getting a better deal from some future administration. I renew that urgent message now, especially in th light of the Chernobyl accident, and hope the voice of reason will prevail in the Kremlin.

LIMITING EXPENDITURES FOR MASS MAILINGS BY SENATORS

The Senate continued with consideration of the resolution.

UNANIMOUS CONSENT AGREEMENT

Mr. MATHIAS. Mr. President, I would like to propound a unanimous-consent request. The request that I make is this: That after the adoption of the pending resolution, the Senator from Indiana [Mr. QUAYLE] may introduce a concurrent resolution on the subject of congressional mail; that the said concurrent resolution shall be immediately considered by the Senate for a period not to exceed 1 hour; that there be no amendments in order; and that the time be equally divided between the Senator from Indiana and the Senator from Kentucky [Mr. FORD] or his designee.

Mr. BYRD. Mr. President, reserving the right to object, and I hope not to object, would the Senator mind waiting momentarily until I can get a final word from the Cloak Room?

Mr. President, there is no objection on this side. I am happy to remove my reservation.

Mr. MATHIAS. Mr. President, I have no objection on this side.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. MATHIAS. Mr. President, what is the pending question?

The PRESIDING OFFICER. The pending question is the question on the Resolution 374.

Mr. MATHIAS. I have nothing further on the resolution.

The PRESIDING OFFICER. If there is no further debate, the question is on agreeing to the Senate resolution.

The Senate resolution, as amended, was agreed to as follows:

S. RES. 374

Resolved, That, notwithstanding any provision of law or of the Standing Rules of the Senate, during the period beginning on the date on which this resolution is adopted and ending 7 days after such date, no Senator shall mail or deliver to any postal facility any mass mailing.

SEC. 2. (a) Notwithstanding any provision of law or of the Standing Rules of the Senate, the total amount which may be incurred by a Senator for official mail costs for the period beginning on the day which is 7 days after the date on which this resolution is adopted and ending on September 30, 1986, shall not exceed the amount allocated to such Senator for such period by the Committee on Rules and Administration in accordance with this section.

(b) The allocation of each Senator under this section for official mail costs for the period beginning on the day which is 7 days after the date of adoption of this resolution and ending September 30, 1986, shall be determined by the Committee on Rules and Administration as follows:

(1) The total amount to be allocated for official mail costs for the Senate for such period shall be the amount which is equal to one-half of the difference between—

(A) the total amount appropriated under section 3216(a) of title 39, United States Code, for fiscal year 1986 (after making the reduction required for such fiscal year by the Balanced Budget and Emergency Deficit Control Act of 1985), minus

(B) the total amount of official mail costs incurred by the Senate and the House of Representatives during the period beginning October 1, 1985, and ending on the day which is 7 days after the date on which this resolution is adopted.

(2) The total amount to be allocated to Senators for official mail costs for the period beginning on the day which is 7 days after the date of adoption of this resolution and ending September 30, 1986, shall be an amount equal to the difference between—

(A) the total amount determined for official mail costs (for the Senate) for such period under paragraph (1), minus

(B) the total amount determined by the Committee on Rules and Administration to be necessary for official mail costs for such period for committees, the Secretary of the Senate, the Sergeant at Arms of the Senate, the Legislative Counsel of the Senate, and the Senate Legal Counsel.

(3) The allocation of a Senator for official mail costs for the period beginning on the day which is 7 days after the date of adoption of this resolution and ending September 30, 1986, shall be an amount equal to the product of—

(A) the amount determined for such period under paragraph (2), multiplied by

(B) the ratio that the population of the State represented by the Senator bears to the population of all States, multiplied by

(C) 50 percent.

(c) In determining official mail costs, and in making the allocations of Senators under this section, the Committee on Rules and Administration shall consult with the Postmaster General.

SEC. 3. The Senate urges the House of Representatives to—

(1) prohibit Members of the House of Representatives, Delegates, and Resident Commissioners, during the period beginning on the date on which this resolution is adopted and ending 7 days after such date, from mailing or delivering to any postal facility any mass mailing; and

(2) limit the amounts which may be expended by Members of the House of Representatives, Delegates, and Resident Commissioners for official mail costs during such period in a manner which is similar to the limitations on the expenditure of such amounts which are applicable to Senators during such period pursuant to this resolution.

SEC. 4. For purposes of this resolution—

(1) the term "franked mail" has the meaning given to such term by section 3201(4) of title 39, United States Code;

(2) the term "mass mailing" is a mass mailing (as defined in section 3210(a)(6)(E) of such title) which is to be mailed as franked mail; and

(3) the term "official mail costs" means the equivalent of—

(A) postage on, and fees and charges in connection with, mail matter sent through the mails under the franking privilege; and

(B) those portions of the fees and charges to be paid for handling and delivery by the Postal Service of Mailgrams considered as franked mail under section 3219 of such title.

SEC. 5. Section 23 of Senate Resolution 353 of the Ninety-ninth Congress (as agreed to by the Senate on March 13, 1986) is amended—

(1) by striking out in subsection (a)(2) "adoption of this resolution" and inserting in lieu thereof "May 14, 1986";

(2) by amending subsection (c) to read as follows:

"(c) None of the funds may be obligated from the contingent fund of the Senate to carry out any provision of this section on or after a date 30 days after the date on which the report described in subsection (a)(2) is submitted.".

The title was amended so as to read: "A resolution limiting the amount that may be expended by Senators for official mail costs during the ramainder for fiscal year 1986."

Mr. MATHIAS. Mr. President, I move to reconsider the vote by which the resolution, as amended, was agreed to.

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

The motion to lay on the table was agreed to.

Mr. FORD. Mr. President, I am very pleased that the Senate has now voted to save the American taxpayer as much as $20 million, perhaps as much as $50 million. If the House will take similar action in a timely manner, that $50 million is almost a reality.

I thank the distinguished chairman of the Rules Committee [Mr. MATHIAS], who has been working for some time to put a stop to the ever-increasing Senate mail cost. His wisdom and leadership have helped the Senate make a real contribution to deficit reduction today. I cannot think of a better tribute to the Senator than to say he has encouraged and worked long and hard to bring the Senate to this moment where it, itself, has put a restriction on the Senate so that the deficit will be reduced by this amendment. Hopefully in the future, these marks will be even larger.

Mr. MATHIAS. Mr. President, the Senator from Kentucky is generous as he always is. I am very grateful to him for his remarks but I cannot forbear from saying that whatever I have done

would be of very little use if I had not had his full cooperation and support. In fact, he is the author of this resolution which has just been adopted by the Senate. He deserves full credit for the time and effort he has put into finding ways to economize in a time that we all recognize the need for economy.

LIMITATION OF AMOUNT SPENT BY A MEMBER OF CONGRESS FOR FRANKED MAIL

The PRESIDING OFFICER. The Senator from Indiana.

Mr. QUAYLE. Mr. President, I send a concurrent resolution to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The resolution will be stated.

The assistant legislative clerk read as follows:

A Senate concurrent resolution (S. Con. Res. 139) to limit the amount that may be expended in any fiscal year by a Member of Congress for franked mail.

Mr. QUAYLE. Mr. President, first, I want to pay my deep respects and appreciation to the chairman of the Rules Committee [Mr. MATHIAS] and the ranking member [Mr. FORD] for their cooperation on this issue. I have testified before their committee. They have worked hard and diligently to get their resolution before the Senate. It was adopted. It was a resolution that I strongly supported.

I might add that had it not been for the Rules Committee initially coming forth with disclosure, we probably would not in fact be here. It was the Rules Committee initiative that disclosed the cost of mass mailings that has precipitated this response. This response of the resolution just adopted applies only to the Senate. In effect, it calls upon the House to do the same thing the Senate has done but in no way does that resolution go to the House. In no way does that serve as a forcing mechanism for the House to respond to this issue as well.

One of the main differences between the House and the Senate is the fact that the Senate has in fact disclosed and it is certainly hoped that the House will be forthcoming in a short period of time to disclose these costs. Once the costs are disclosed, I believe that therein lies the action that is going to be initiated.

□ 1700

The cost growth in this program is enormous. Just going back a few years to 1978 on mass mailing costs, Congress appropriated and spend about $46 million. In 1985, that number had grown to $148 million—over a 2½-times increase, a $100-million increase in a 6-year period of time. And now that we have had disclosure, many people are wondering what to do about it. I think the only reasonable thing to do is treat the mass mailing account like you treat any other account, like you treat your personnel account, like you treat your telephone account, like you treat your travel account. It is an appropriated budget item that you will give to each Senator, and then that Senator can make his or her determination on how they are going to spend that money.

Now, I am one who has in fact used newsletters. I believe that newsletters can serve a valuable purpose. I am one who has not only used the mass mailing to communicate to our constituency but one who from time to time tries to bring new information to the constituency of the State of Indiana, trying to stay in close contact. But I do believe that in this era of Gramm-Rudman we ought to begin a cost control strategy at home. A cost control strategy is one that will in fact bring down the amount of expenditures for mass mailings.

The one interesting facet about mass mailing is it is a golden entitlement program. The definition, I suppose, of a golden entitlement program is one that in effect from a legal sense does not have to be paid for by the Congress.

Now, that may sound a bit preposterous, Mr. President, but in fact it is true. A recent letter from the General Accounting Office to Senator NICKLES concerning the antideficiency statute said in effect that whatever the Congress decides to appropriate to the Post Office will serve as the total reimbursement for the cost of mailing, no matter what those costs may be. In other words, if in fact the costs of congressional mass mailing consume about $148 million, which will probably be the approximate number this year, and Congress only appropriates $10 million or $20 million or any figure they want, that amount is considered as full payment as far as the Postal Service is concerned. Now, that just is illogical. It is simply a sham that has to be exposed and one that ought to be remedied. I believe, in effect, we will offer a remedy by treating mass mailings as an appropriated account.

Now, what this concurrent resolution does differently from the Mathias-Ford resolution is it in fact binds the House of Representatives as well as the Senate. There is no doubt about it, this is a two-way street. Both the House and Senate are involved in mass mailings. Therefore, there is no reason at all that one House ought to be exempt from not only disclosure but treating Members in a different way. Therefore, our resolution is very simple. It is very straightforward. It simply says that the amount of money appropriated on an annual basis will be divided equally between the House of Representatives and the Senate. Therein, the Senate will make its determination on how the money will be allocated to each Senator and the House of Representatives accordingly will make that determination on how its allocations will be made to each Member. There is no favoritism. This is a very straightforward approach, and one that I believe will see a decline in the cost of mailings.

Senator FORD mentioned that perhaps we could save as much as $20 million. I hope we can save that and more.

A further difference between this resolution and the one just passed is that this resolution deals with years beyond and not just 1986.

Mr. President, I think the Senate certainly goes on record today in saying that with the revelation of the costs of the franking privilege and mass mailings something has to be done. As I said, I am one who has used the system and will continue to use the system. But even though I have benefited from the system, I also realize costs have to be controlled, costs have to be restrained. We have had an open-ended entitlement program on mass mailings. There have been a lot of complaints, a lot of discussion about entitlement programs. Other programs may entitle individuals to a certain allotment or a certain guarantee but this entitlement program not only guarantees Members of Congress a certain amount but also under the present situation Congress does not really have to pay for it.

Obviously, somebody has to pay for it, so those people who use the post office are going to have to pay for it. The cost of first-, second-, and third-class mailings may go up just to be able to pay for the debt that will not in fact be paid by this Congress. I know how difficult it is going to be to get any kind of a supplemental appropriation bill through dealing with mass mailings. It is a very controversial item right now.

Well, let us keep up the heat. Let the sunshine come in and find out how much one is expending and then I believe you will see far more interest in doing something.

Mr. President, again, I congratulate Senator MATHIAS and Senator FORD and all members of the Rules Committee for considering these pieces of legislation. They have held hearings. They have acted with dispatch. I am here today to urge my colleagues to support this concurrent resolution which in fact will be passed today and be sent on to the House of Representatives for their action.

Then we can go to conference and figure out the best way to deal with this mass mailing issue and with the idea of holding down the costs. I am convinced it can be done not only in 1986 but in 1987 and the outyears as well. Therefore, Mr. President, I do

urge my colleagues to support this resolution and I urge its adoption.

The PRESIDING OFFICER (Mr. GORTON). The Senator from California.

Mr. WILSON. I thank the Chair.

I rise to commend my colleague from Indiana and to join him in commending our colleagues, Senator MATHIAS and Senator FORD, for taking a responsible step in the right direction. As the Senator from Indiana has very rightly observed, the response from GAO to the letter of inquiry as to what would happen if there were a shortfall in funds was, to say the least, dismaying and I think disheartening to anyone who believes in fiscal responsibility. The idea that whatever amount is appropriated by the Congress shall suffice, whatever the actual amount in the bill for postage by the Congress, is not just flagrantly not just illogical, it is what the Senator from Indiana called it—a sham.

What it means is that if the taxpayers are not going to pay for it, then those who pay postage will—maybe not immediately but over a period of time. As the account accrues a loss, it will be part of the argument brought forward by the Postal Service for rate increases, postage increases. We will see stamps begin to cost more. This is simply unjustifiable. The fact is that this step, which is in the right direction, is not quite a large enough step. What we really should do to remove the abuse is to simply state in an appropriations measure that we are not going to spend tax dollars for congressional newsletters and to avoid this sham we will not allow that anybody's dollars be spent to send letters, mass mailings that have been unsolicited, that largely wind up unread and in the trash. The real answer, Mr. President, is to put into an appropriations measure the kind of ban on congressional newsletters that will once and for all put an end to this practice.

□ 1710

I agree with the Senator from Indiana: Newsletters can be informational. It is unfortunate that many have been abused. Certainly, we have long since progressed from a time when any constituency, however remote and rural, is dependent for its news, even for information about governmental doings, upon a congressional newsletter. Frankly, I reject that argument as almost nonsensical in a time of modern mass communication.

So today I will take little more time of the Senate. I think that the steps taken by the Senators from Kentucky, Maryland, and Indiana deserve our support. They are seeking at least to cap what has been a hemorrhage. The only way to do it in the long term is to attack the problem at its root, and that is by stating that when we do not respond, when we are instead initiating mass mailings that are unsolicited, we are spending money that we cannot justify.

I think that this body, in its first test, has indicated an ability to move toward a more sober judgment, notwithstanding the efforts in the past to engage in—I will resist the pun and say lettering. But I must say that what I think we need to do at the earliest opportunity is to make clear, as I think we did the other day in amending the budget resolution, that there are far more priorities where there are no abuses, where there is no self-promotion. This is simply the lesser of all the priorities with which Congress is faced.

That being the case, what we should do is to take the next step, following upon the amendment of the budget resolution, wherein we said that moneys that had been allocated for the purpose of congressional newsletters should instead be diverted into research into the causes of and cures for Alzheimer's disease and AIDS. We should do that at the appropriations stage.

Mr. President, I trust that those who voted the other day, 95 to 2, to amend that budget resolution will be consistent and will register the same vote when they have the opportunity to amend an appropriations measure.

The PRESIDING OFFICER. Who yields time?

Mr. QUAYLE. Mr. President, I congratulate my esteemed colleague from California for his leadership on this issue. He and I testified before the Rules Committee. He has worked hard to try to get, as he says, at the root cause of the problem.

I share his interest in trying to hold down the costs of mass mailings. I look forward to working with him on this effort, to see how we can best constructively get at the problem in which we are both interested.

The PRESIDING OFFICER. Who yields time?

Mr. QUAYLE. Mr. President, I do not believe there are any other requests on this side, so I am prepared to yield back the remainder of the time on this side.

Mr. ROCKEFELLER. Mr. President, we are prepared to yield back the time on this side.

The PRESIDING OFFICER. All time having been yielded back, the question is on agreeing to the concurrent resolution.

The concurrent resolution (S. Con. Res. 139) was agreed to, as follows:

S. CON. RES. 139

Section 1. The total amount which may be incurred by a Member of Congress for official mail costs for any fiscal year (beginning with fiscal year 1987), shall not exceed the amount allocated to such Member for such fiscal year or period, as the case may be, in accordance with this subsection.

Not later than September 30 of each year (beginning in 1986) the Committee on Rules and Administration of the Senate, with respect to Senators, and the Committee on House Administration of the House of Representatives, with respect to Members of the House of Representatives, shall, for the fiscal year beginning on October 1 of such year (beginning with fiscal year 1987)—

"(i) determine, in accordance with this subsection, the allocation of official mail costs for each Senator or each Member of the House of Representatives, as the case may be, for such fiscal year; and

"(ii) provide written notice to each Senator or each Member of the House of Representatives, as the case may be, of the allocation of such Senator or Member of the House of Representatives under this subsection for such fiscal year.

"(3) The allocation of each Member of Congress under this section for a fiscal year (beginning with fiscal year 1987) shall be determined as follows:

"(A) The total amount to be allocated for official mail costs for all Members of Congress for a fiscal year shall be the amount which is equal to the difference between—

"(i) the total amount appropriated under section 3216(a) of this title for such fiscal year, minus

"(ii) the product of the amount described in clause (i) of this subparagraph multiplied by 5 percent.

"(B) The allocation of a Senator under this subsection for a fiscal year shall be an amount which is equal to the product of—

"(i) one-half of the amount determined for such fiscal year under subparagraph (A), multiplied by

"(ii) the ratio that the population of the State represented by the Senator bears to the population of all States, multiplied by

"(iii) 50 percent

"(C) The allocation of each Member of the House of Representatives under this subsection for a fiscal year shall be equal to the quotient obtained by dividing one-half of the amount determined for such fiscal year under subparagraph (A) by the total number of Members of the House of Representatives.

"(5)(A) In any case in which a Member of Congress is defeated in an election, the allocation of such Member under this subsection for the fiscal year or period in which the term of office of such Member ends shall be divided between such Member and the Member-elect to the office of such Member in proportion to the number of months that such Member and such Member-elect hold such office during such fiscal year or period.

"(B) In any case in which there is a vacancy in the office of a Member of Congress, the allocation of such Member under this subsection for the fiscal year or period in which such vacancy occurs shall be divided between such Member and the successor in office to such Member in proportion to the number of months that such Member and such successor hold such office during such fiscal year or period.

"(6) Not later than 10 days after the date of enactment of this subsection, the Committee on Rules and Administration of the Senate, with respect to Senators, and the Committee on House Administration of the House of Representatives, with respect to Members of the House of Representatives, shall prescribe rules and procedures to ensure that Senators and Members of the House of Representatives, as the case may be, comply with the provisions of this subsection.

"(8) Not later than 15 days after the end of each quarter of a fiscal year, the Committee on Rules and Administration of the Senate, with respect to Senators, and the Committee on House Administration of the House of Representatives, with respect to Members of the House of Representatives, shall make available to the public a statement specifying—

"(A) the amount of official mail costs incurred by each Senator or each Member of the House of Representatives, as the case may be, during such quarter; and

"(B) in the case of—

"(i) fiscal year 1987 and each succeeding fiscal year, the allocation of each Senator or each Member of the House of Representatives, as the case may be, under this subsection for such fiscal year; or

"(9) For purposes of this section, the term 'official mail costs' means the equivalent of—

"(A) postage on, and fees and charges in connection with, mail matter sent through the mails under the franking privilege; and

"(B) those portions of the fees and charges to be paid for handling and delivery by the Postal Service of Mailgrams considered as franked mail under section 3219 of this title.".

Mr. QUAYLE. Mr. President, I move to reconsider the vote by which the concurrent resolution was agreed to.

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

The motion to lay on the table was agreed to.

Mr. QUAYLE. 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. QUAYLE. 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

Mr. QUAYLE. Mr. President, I ask unanimous consent that there now be a period for morning business.

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

PERSONAL EXCELLENCE AND NATIONAL SECURITY

Mr. PELL. Mr. President, the helm of the Navy will be passed at mid-year when Adm. James D. Watkins, Chief of Naval Operations, retires after a distinguished career. His contributions to the Navy and to the Nation are many, but none, in my opinion is more lastingly important than the program which he initiated last year to emphasize personal excellence as an essential ingredient of national security.

Admiral Watkins recognizes that the Navy's readiness and capability as an institution can only reflect the quality of body, mind, and spirit of its military and civilian personnel. He correctly sees that there is an inseparable linkage between a commitment to personal excellence on the one hand and the full and adequate provision for the Nation's security on the other.

As described in his speech before the World Affairs Council in Boston in March, Admiral Watkins' program would bring together under one umbrella all Navy efforts in education, fitness, and health, coupled with a renewed emphasis on the ethical standards associated with the Navy's heritage and tradition. In his words, "We are not creating a program of minimum standards and punishments. Rather, we are emphasizing high objectives and positive rewards that can be achieved by individual commitment to an ethic of personal excellence."

This strikes me as a bold and effective antidote to such pervasive problems as drug abuse, academic underachievement, and substandard physical fitness, as well as to such larger problems as serious security breaches which rocked the Navy in recent months.

I recognize, at the same time, that such a program can sometimes yield unpredictable consequences. A program designed to release the full potential of an organization's personnel is bound to change the status quo. It can prove unsettling to marginal managers and to entrenched administrators who may be quite ready to kill off or dilute such a revolutionary intruder.

I hope the Senate will agree that Admiral Watkins' initiative for personal excellence and national security is right on target and that it should be a continuing feature of Navy life long after Admiral Watkins has left the scene. I believe it deserves our full support.

I ask unanimous consent that Admiral Watkins' speech before the World Affairs Council be printed in the RECORD.

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

A COMMITMENT TO EXCELLENCE

(Remarks by Admiral James D. Watkins)

Today, I am not going to speak to you about the high state of naval readiness we enjoy—although we are a more ready Navy than at any time since the end of WW II.

I am not going to debunk the many unenlightened myths about alleged national defense spending you hear today—tiresome, overworked, and sensationalized fables which represent what I have referred to publicly as "the toilet seat mentality," needlessly clouding intelligent and informed defense discussion.

I am not going to share stories about the incredibly serious impact on national security of threatened sequestering of significant defense funds next year under Gramm-Rudman-Hollings—stories which are now driving an already crazy national capital absolutely spastic.

I am not going to discuss heinous crimes and national security ramifications of state-sponsored international terrorism perpetrated by irresponsible state leaders.

Likewise, I am not going to tell you my views about reorganization of the Joint Chiefs of Staff—in fact I've testified and spoken out so many times on the subject, even I get bored with my own pleas for a steady hand on this vitally important aspect of the national security tiller.

No, today, I am going to discuss a subject that doesn't, unfortunately, get the rapt attention of six toilet seats of even one claw hammer that we found admittedly overpriced and obtained full refunds for. Yet, it is a subject that not only affects how well we defend this Nation today, but one that has national security implications well into the next century and beyond. I am going to discuss a national commitment to personal excellence, and this commitment's inseparable linkage to national security.

Speaking to a small group in Illinois, a learned statesman who well appreciated this Nation's true source of strength said, "What constitutes the bulwark of our own liberty and independence? It is not our frowning battlements, our bristling sea coasts, our Army and our Navy. These are not our reliance against tyranny . . . our defense is in the spirit which prize(s) liberty."

Those thoughts are Abraham Lincoln's from 1858. And, while we have changed a great deal in the intervening century, the spirit which prizes liberty is still our greatest strength. When this spirit is harnessed, it forges a commitment not only to defend this Nation from outside threats, but to protect ourselves from threats from within—threats of low standards, drug abuse, not developing to the fullness of God-Given potential, and other indices of low self-esteem so prevalent in the last decade when the spirit was lost momentarily.

And while the negative momentum marking the past decade was reversed at the commencement of this one, we cannot assume the current spirit will be sustained without working hard to see that it is. So, to avoid a reversal of spirit, there is need to capitalize on the rejuvenated national mood and elevate it to the next plateau by a renewed commitment to strengthening individual excellence. This commitment can only be developed and sustained by imaginative and concrete programs to cultivate what should be our most treasured national resource—America's youth.

Yet, we are on a difficult passage, where it is easy to lose sight of the urgency to see to this renewed commitment. Results could be devastating. For example, witness this:

One out of every four freshmen in high school right now, in this country, will fail to graduate.

Of those who do graduate, many will still lack basic skills required to survive. Business, industry, our military, even our colleges, must conduct widescale and expensive remedial courses to supplement skills which taxpayers pay to have been learned already.

One in every five adults—a staggering 23 million Americans—lack the reading and writing skills needed to handle the minimum demands of daily living; an additional 30 million Americans are only marginally capable of productive work. A Presidential commission concluded that "If any unfriendly foreign power had attempted to impose on America the mediocre education performance that exists today, we might well have viewed it as an act of war."

In 1976, approximately 15 percent of our high school students qualified for the President's Youth Fitness Award in a nation-wide fitness test. Recently, the same test was given to 84,000 students in Oklahoma, but in

this test, less than 1 percent reached that earlier level of achievement.

National youth fitness surveys reveal some 50 percent of American youth do not regularly participate in appropriate physical activities necessary for minimal fitness.

Today, more than half the Nation's schools do no physical education testing at all. Our elementary schools teach physical education, on the average, only 20 minutes, on one day, each week.

Just 2 weeks ago, a Government-sponsored conference on drug abuse concluded that nearly two-thirds of the young people entering the work force today have used illegal drugs.

These are problems of national proportion and significant momentum, and these problems threaten us all—not only because of scarce tax and investment dollars that are being invested in remedial and correctional programs, but because the raw materials needed to build this Nation's industrial and economic strength of the future are rotting from within. Our national security—our very existence and freedoms we enjoy—demands improvement in the overall quality of our young people.

But, why is a chief of naval operations so concerned about this? Because the Navy has shown a clear and direct link between personal excellence and national security, made particularly clear over the past 5 years. Operational readiness and mission effectiveness of our ships and aircraft squadrons relate directly to the quality of our people. John Paul Jones once said, "Men mean more than guns in the rating of ships." Two hundred plus years of history under the keel haven't done a thing to change this assessment.

In fact, the problems of society as a whole already have had a profound effect on the Navy. For example, surveys of Navy recruits indicate that 24 percent of our high school graduates tested below the ninth grade reading level, the minimum required to master Navy technical manuals; recent studies indicate a large percentage of Navy members do not meet body-fat composition and fitness standards; smoking in the Navy is at an epidemic level, 60 percent higher than smoking in the civilian sector; a lack of accountability and universal Navy code of ethics may be related, for example, to recent security breaches that rocked this Nation's sensitivities; and the viability of the all-volunteer force concept may be in jeopardy unless immediate steps are taken to increase the percentage of America's youth qualified for military service.

Further complicating this difficult situation is a downward demographic trend. A Rand study found that the 1980 manpower pool of 2.1 million youths will shrink by 20 percent to 1.7 million, by 1990. This means the armed services, so dependent upon top-flight people, will find it increasingly difficult to attract and retain qualified young people. Improving economic conditions—coupled with leveling retention rates, and increased competition from civilian industry for bright, talented and motivated young people—have already increased recruiting pressures.

These trends are unfortunate enough when viewed alone, but there is an additional challenge from outside our borders. In contrast to American trends, the Soviet Union has completely revamped its primary and secondary educational system over the last 15 years. The standard Soviet educational curriculum in mathematics and hard sciences far outstrips that received by the average American high-school graduate.

How, as a nation, can we deal with these problems? More specifically, how can we man the Navy this Nation needs? Do we return to the draft? Do we lower our standards? Unequivocally—no. Certainly, all the military learned the hard way last decade that lowering standards is not a viable alternative. In fact, it has taken the Navy nearly 10 years to recoup lost ground after a near-fatal mistake of lowering standards.

Instead, the Navy will now capitalize on the excellence already onboard, and help all in uniform reach their full human potential. We can then go the next mile—to work closely with industry, civic and national organizations and leaders to help inspire a renewed national commitment to excellence.

So, last year I convened a special task force of civilian and military professionals, from fields of fitness, health and education, to review the Navy's future manpower needs. I asked them to identify ways we could meet requirements of manning the Navy of tomorrow with quality people. After studying their findings, I announced Navy's plan to renew emphasis on personal excellence. We call the initiative "personal excellence and national security."

Yet, this is not a massive, wholly new effort. In fact, it is really the next logical step based upon Navy's pride and professionalism achievements of earlier this decade, and makes sure no opportunity is lost in taking advantage of society's reawakened spirit and drive.

In the Navy, the focus is to bring together, under one umbrella, existing as well as new Navy efforts in education, fitness, and health coupled with a renewed emphasis on practical, ethical standards associated with our naval heritage and tradition. We are not creating a program of minimum standards and punishments. Rather, we are emphasizing high objectives and positive rewards that can be achieved by individual commitment to an ethic of personal excellence.

Our agenda for enhancing excellence has two distinct, but related, phases. First, we will review the many programs that have contributed so much to renewed pride and professionalism already existing in our Navy. We will strengthen the best of these, combine and streamline others where we can, and eliminate programs that have already served their purposes.

Our goal is to help our people reach their own personal excellence potential while we continue to improve their quality of life. We want the Navy to be a place where good people want to stay. Recruiting, retention and performance will all benefit from such an approach. In fact, we may actually reduce expenditures by coordinating and consolidating our efforts.

The second phase of our initiative is to work with private sector organizations and individuals to reach out to more youngsters. These young people, in the aggregate, can be the solution to increasing demands against the national base of qualified youth.

Some of the highlights of Navy's renewed commitment to personal excellence include:

Remedial education programs for our recruits, focusing on basic skills as opposed to specific training skills.

Developing health-promotion objectives in the Navy for the year 2000. These will include specific focus on long-term physical fitness and improved Navy dietary programs.

Development of a Navy code of ethics, both broad and narrow-based, as well as a plan to increase awareness of ethical standards through integration into existing naval education and training programs.

We will join in partnership with private and public institutions to enhance education, promote health, and reinforce good ethical practices. Specific programs will include expansion of Navy junior reserve officer training corps units, where our young high school students get a first taste of the Navy and its leadership techniques; special initiatives with our Nation's schools; and unique programs with vocational and technical schools. We will particularly emphasize the areas of math, science and technology.

We also will work within the Department of Defense and Federal Government to build a consensus on the importance of personal excellence, showing its direct relationship to national security and our Nation's future prosperity and overall strength.

I want to emphasize: This is not philanthropy nor is it a Navy recruiting program. We are making an investment today which gives us some hope that we can sustain a proper defense of America tomorrow. With higher levels of achievement and standards, the country as a whole will be the beneficiary. Obviously if we do our job well, the Navy, too, will benefit by setting itself up as a visible role model to young people attracted by our sensitivity to their personal welfare. The Navy will be seen as the kind of organization that will attract quality people, and then retain them for longer periods of service. We in Navy-blue today believe we have something special, we see this as an opportunity to prove it to others, whether or not they elect to serve with us in uniform. There will be no commitment demanded of participants to sign up.

What chance of success do we have? Well we could not have embarked upon such an exciting and challenging adventure in the last decade. At that time, we were adrift as a nation, and had temporarily lost our way, our drive and our spirit. Today, in marked contrast, this Nation has regained the spirit and positive outlook—and, we in the Navy have the professionalism back in hand—to give this initiative an excellent chance.

Besides, the Navy has already proven that it can deal with tough, societal problems—and beat them. Last decade, we were plagued with crippling drug abuse among our junior enlisted people. Surveys indicated abuse levels approached 50 percent. Today, drug abuse levels have shrunk to less than 3 percent, as confirmed by Navy-wide tests, and this downward trend continues. Many organizations and groups are now adopting our tough standards and are using Navy as a model. Consequently, they too are beating the drug problem.

So, we do not seek a program that manufactures perfect people, all speaking and acting from some single mind-set. In fact, our country is great because of personal liberties which allow great diversity of talent to flourish. Likewise, Navy does not intend to lead a national crusade to remake society. In fact, under Presidential leadership and that of other concerned government, education and business leaders, many programs are already ongoing to help our young people reach their full potential. Rather, the Navy desires, while working in partnership with concerned people and groups, to renew our national commitment to excellence through recognition of existing human problems, and developing innovative techniques to redress them.

Maybe it was John Kennedy who best summed up what we must do: "When the youngest child alive today has grown to the cares of manhood, our position in the world

will be determined first of all by what provisions we make today—for his education, his health, and his opportunities for a good home and a good job and a good life."

That was more than 20 years ago. The children of that generation have grown and another has been born to take its place.

Still, there is much more to be done. The time to act is upon us. So, let's now make a national commitment to our own future. Today, the challenge is personal excellence. The goal is a better, safer and more secure future for America. This moment is too ripe to let pass, the task too essential to leave to chance, the goal too important to give it other than a strong and sustained push. So, in conclusion, I urge you to clamor for quality of the human resource to be our Nation's number one objective for the remainder of this century. If you do, you can give no greater service to your country.

Thank you and God bless.

ANATOLY SHCHARANSKY

Mr. PELL. Mr. President, today we are honoring Anatoly Shcharansky, a man whose courage and conviction has served as an inspiration to all of us who have been working to promote human rights and fundamental freedoms in the Soviet Union. After being denied permission to emigrate to Israel in 1973, Shcharansky, a leader of the Moscow Jewish community, became a spokesman for the Soviet Jewish emigration movement. After the signing of the Helsinki Final Act in 1976, Shcharansky joined Yuri Orlov and others in forming the Moscow Helsinki Monitoring Group.

On March 15, 1977, the KGB arrested Shcharansky. After being detained incommunicado for 16 months, he was tried and convicted of "anti-Soviet agitation and propaganda" and of the trumped-up charge of "treason." At the conclusion of his 5-minute "trial," at which no defense was permitted, Shcharansky was sentenced to a total of 13 years incarceration—3 years in prison and then another 10 years in the harshest category of labor camp.

As an activist in the Soviet Jewish emigration movement and a founder of the Moscow Helsinki Monitoring Group, Shcharansky fought for basic human rights for his countrymen and worked to promote his government's compliance with the Helsinki Final Act. Because of these activities, he became the target of a systematic campaign of harassment and intimidation which culminated in his arrest and imprisonment.

While in prison, Shcharansky was subjected to extremely harsh conditions such as insufficient food, inadequate health care, and solitary confinement. His prayer book, a gift from his wife, was taken; his mail was confiscated and family visits were banned. He went on a hunger strike three times in protest of these activities. Even then, he suffered inhumane treatment at the hands of the Soviet authorities.

Anatoly Shcharansky has experienced the Soviet Government's wanton disregard for human rights and freedom. Thankfully, his pain and suffering have come to an end, and he is reunited with his dedicated wife, Avital, who fought relentlessly for his freedom.

Many of us in Congress also did all that we could. As chairman of a Senate delegation, I remember taking up his specific case with Chairman Andropov in the Kremlin on August 18, 1983.

Anatoly Shcharansky is a living testament to man's strength and spirit. His release is a symbol of hope for all of us who share his commitment to human rights and fundamental freedoms for the Soviet people.

TOUGH TIMES FOR OIL AND GAS IN KANSAS

Mr. DOLE. Mr. President, my home State has long been synonymous with agriculture—and with good reason Kansas is America's breadbasket; our wheat fields are the envy of the world; and our farmers are legendary for their unrivaled production.

But Kansas is also a leading energy State. We rank high in oil and gas production—sixth in gas, eighth in oil. As an industry, energy is No. 2, and obviously a major factor in the economic well being or my State. Unfortunately, it continues to be tough times for both agriculture and energy in the heartlands of America. And when that happens, you have the makings for real trouble. Of course, my good friends in this body from Oklahoma, Texas, and Louisiana know firsthand what I am talking about.

But when you mention the plight of oil and gas it is oftentimes difficult to capture the attention—and sympathy—or those people who do not depend on energy for a living, nor live in a State whose stability is tied to oil rigs, and pipelines. And I can understand and appreciate why this issue can be so puzzling to consumers in every corner of the country. But believe me, our industry is taking a real beating. A front page story in today's Kansas City Times says it all: "Oil Industry in Kansas is Drying Up."

The statistics included in this report make for grim reading—3,000 workers have lost their jobs this year; unemployment in oil producing counties is approaching 10 percent; the number of active rigs has dropped to a mere 36; and exploration has become even more unattractive for drillers. In fact, filings for licenses to drill with the Kansas Corp. Commission has dropped dramatically: Filings have nosedived by one-third so far this year. According to our latest count, 298 wells were shutdown—or plugged—during the first 3 months of 1985. In 1986, during that same time period, almost 500 wells have been plugged.

Let's make it clear. We are not talking about giant gushers, and rivers of oil. In Kansas you've got to drill a long, long way to reach anything; and oftentimes you reach nothing. Most of our wells are so-called "stripper wells," which by law produce 10 barrels of oil a day, or less. In Kansas, our strippers average about three barrels per day: At $15 per barrel of oil—about $2 more than the current price—22 percent of all stripper wells in Kansas will be abandoned. That kind of trend translates into 29,000 barrels of oil of lost production.

Mr. President, my oil State colleagues and I have watched with alarm the decline of this most important industry. We have seen valleys and peaks before, and we hope that the current hard times are temporary. In my view, however, the problems in our oil patch go beyond the boundaries of Kansas. Energy production is a national concern; a national security issue, a priority lesson we learned at the hands of OPEC in the 1970's. I doubt that anyone wants to return to those days again. Our best bet against that kind of foreign squeeze play from happening again is a healthy domestic oil and gas industry.

Mr. President, I request that the following Kansas City Times article be included in the CONGRESSIONAL RECORD.

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

OIL INDUSTRY IN KANSAS IS DRYING UP: DRILLING, JOBS GREATLY CUT

(By Martin Rosenberg)

Kansas' $2.7 billion oil industry, which has taken a beating in the last few months in tandem with international oil prices, is at the point where industry and Kansas officials say it has collapsed.

In March alone, 1,300 Kansas workers lost their jobs because of the industry's rapid contraction. Through March, the latest month for which employment figures are available, about 3,000 workers this year had been thrown out of some of the highest-paying jobs in Kansas.

In the week ended Monday, only 36 drilling rigs were punching holes in search of oil in Kansas—the lowest number in more than a decade, according to a survey by the Hughes Tool Co. in Houston.

The number of active rigs in Kansas is down from 90 a year ago and from 197 five years ago, the company's figures show.

This severe reduction in Kansas drilling also has meant the loss of oil reserves because the crude being pumped has not been matched by new discoveries.

Also, there has been an increase in the number of drilling companies facing bankruptcy.

As bad as the drop in Kansas drilling has been, the downturn has been worse in Texas, Oklahoma and Louisiana, said George McKown, president of DaMac Drilling Inc. in Great Bend, Kan. Mr. McKown is first vice president of the International As-

sociation of Drilling Contractors in Houston.

The most painful consequences of the oil industry collapse probably has been rising unemployment. Kansas officials monitoring the unemployment rate speak of rising joblessness in a crescent of counties extending from south-central to northwestern Kansas.

"You can see it on a map—a change upward in the unemployment rate in a whole band of counties," said Kathy Ketchum, spokesman with the state Department of Human Resources.

Although the overall Kansas jobless rate in March was 6.2 percent, it was 9.9 percent in Ellis County, the state's leading oil-producing county, 9.9 percent in Trego County and 9.4 percent in Boston County, she said. Unemployment in seven additional oil-producing counties exceeded the state average in March.

The March jobless rate in Ellis County was more than two percentage points higher than the rate in January, when the collapse in international oil prices started, and is the highest ever recorded, said Ted Sammons, manager of the state Department of Human Resources' job service center in Hays.

For each rig that is closed, nine persons lose their jobs, Mr. Sammons said.

In Kansas as a whole, the oil and gas extraction industry in March employed 12,300—down 1,300, or 9.6 percent from February and off 3,000, or 19.6 percent, from a year earlier.

And the positions being lost are valuable ones. According to a state study using 1984 figures, the latest available, the oil industry paid the highest average salary of any Kansas industry—$22,824 a year.

If any manufacturing company laid off as many workers as Kansas drillers have in recent months, said John Knightley Jr., president of the D.R. Lauck Oil Co. in Wichita, "City fathers would be screaming bloody murder."

But because the pain of the oil collapse has been spread across remote reaches of the state, government officials have been mute, he said.

"It's just a disaster. I wish people could realize," Mr. Knightley said.

It is not known how many of the 52 drilling companies based in Kansas are floundering.

But one of two fates seems to be common for most drillers, industry observers said.

Those that have borrowed from banks to buy their equipment are either filing for bankruptcy or drilling at a loss to keep their creditors happy.

Those that are not heavily in debt are shutting down their drilling rigs and waiting for a better day.

Mr. Knightley's 55-year-old company shut down the first of its two rigs in June 1982 in response to falling oil prices. It closed down its other rig on Jan. 24 in response to the sharp decline in world oil prices.

"Even if you can find some place to drill, we would lose $200 a day operating our rigs," he said.

Mr. Knightley's company employs 45, down from 125 in 1982.

Mr. McKown of the DaMac company said employment at his firm had plunged from 155 in 1981 to about 25. DaMac, which usually operates five drilling rigs, will have none in operation starting today.

Decreased drilling, in turn, will affect the economy of Kansas for years to come.

To match the oil taken from the state's reserves by existing wells, about 135 drilling rigs would have to be drilling for oil, Mr. McKown said.

But instead of drilling, the rigs are being shut down, and drillers plan to drill fewer wells.

In April, drillers told the Kansas Corporation Commission that they intended to drill 239 wells—down from 336 in March and off from 817 a year earlier, said Rick Claytor, KCC hydrologist in Wichita.

Drilling in the state in the week that ended May 12 was the lowest since the early 1970s, said Dan Guerra, planning coordinator with Hughes Tool, which provides drilling bits to the oil industry.

Nationwide oil companies have cut exploration budgets by $10 billion, and drillers are expected to drill 40,000 wells this year, down from 75,000 in 1985.

Hughes Tool said that nationwide 809 rigs were drilling, the lowest number since April 1943.

For men such as Doyle Folkerts of Great Bend, Kan., who has labored in the oil industry for 43 of his 58 years, the future looks grim, and the present is worse.

Mr. Folkerts said he was laid off in April, the first time in more than 15 years in an industry known for its ups and downs.

He now is trying to support four persons—including one college student—on unemployment benefits of $190 a week.

"I'm not making ends meet," he said.

His analysis of his own predicament—and that of Kansas' oil industry, is simple: "The Arabs are selling oil too cheap."

THE DEATH OF CLARK E. SPENCE, REPUBLICAN COUNTY CHAIRMAN OF ADAMS, PA

Mr. SPECTER. Mr. President, it is with great sadness and deepest sympathy that I advise my colleagues of the recent death of a distinguished Pennsylvanian and renown politican, Mr. Clark E. Spence, former Republican Chairman of Adams County, PA. Clark is survived by his wife, Martha Boyd Spence, and his daughter, Sandra K. Spence.

A fruit farmer by occupation, Clark served his party, his community, and his country honorably and with distinction. I am honored to have known him.

The Republican Party and its commitment to our Nation's welfare was a top priority for Clark. For more than 22 years he served as Republican Chairman of Adams County and, during this tenure, a charter member and secretary of the Central Pennsylvania Republican Conference. Clark also held elected office from 1958 through 1982 in the capacities of Treasurer of Adams County and Adams County Clerk of Courts and Orphan Courts.

In service to his community, Clark held numerous positions including President of the Cashtown Community Fire Co., president of the Pennsylvania Prothonotary and Clerk of Courts Association, a charter member of the Cashtown Lions Club, director of South Central Pennsylvania Lung Association, treasurer of the Adams County Diabetics Association, and director of the Fairfield National Bank.

Clark served his country well as a member of the 80th Infantry Division in the U.S. Army under Gen. George Patton during World War II. For his distinguished service he received a Bronze Star.

Throughout Clark's life he was truly dedicated to his country, and we his friends, family, and other beneficiaries of his goodwill are gratefull. His commitment and leadership will serve as a model for others in the years to come. We will miss Clark E. Spence greatly.

THE 38TH ANNIVERSARY OF THE STATE OF ISRAEL

Mr. KENNEDY. Mr. President, today, May 14, 1986, marks the 38th anniversary of the birth of the State of Israel. I ask that on this special day, we pause and consider all that Israel represents to the United States.

Over the years, Israel has proven itself to be a beacon of liberty and democracy in the Middle East and has been America's closest friend and staunchest ally in the region. A strong Israel is essential for lasting peace in the Middle East and the United States must maintain an unswerving commitment to its security. For this reason, I continue to oppose all attempts to arm the enemies of Israel. Arab nations that refuse to accept the existence of Israel or to begin direct negotiations for peace do not deserve sophisticated weapons from the United States. The people of Israel have demonstrated time and again their commitment to a just and lasting peace. It is time for the Arab nations to do the same.

For 38 years, Israel has served as a source of hope for millions of Jews throughout the world. This year we have a special reason to celebrate the State of Israel—for after years of imprisonment and brutal repression by the Soviet Government, Natan Shcharansky has finally realized the dream of "next year in Jerusalem." We join with Avital and all of Israel in celebrating his long overdue homecoming.

Yet freedom for a few must not lessen our resolve to strive for the liberty of the 400,000 Jews who remain behind in the Soviet Union. Emigration has fallen to its lowest level in two decades and repression of Soviet Jews is on the rise. Last year just 1,140 Jews were permitted to leave the Soviet Union—down from a peak of 51,000 in 1979. Together we must continue the work of reuniting families and freeing prisoners of conscience. In the great cause of human rights, we must never give up or give in.

As President Kennedy said in 1956 before 50,000 people in New York City, on an early anniversary of Israel's birth:

> Today we celebrate the eighth birthday of Israel—but I say without hesitation that she

will live to see an 80th birthday—and an 800th. For peace is all that Israel asks, no more; a peace that will beat swords into plowshares and spears into pruninghooks: a peace that will enable the desert to rejoice and blossom as the rose, when the wicked cease from troubling and the weary be at rest. Then all of us here, and there, and everywhere will be able to say to each other, with faith and with confidence, in our coming and in our going: Shalom—peace! Peace be with you, now and forever.

Mr. President, on this occasion, as the Senate pauses to honor the courage and the vision of the founders of Israel, we commend the generations that have followed in the struggle to build a homeland of peace, freedom, and democracy.

ANATOLY SHCHARANSKY AND SOLIDARITY SUNDAY

Mr. MOYNIHAN. Mr. President, this past Sunday was the 15th annual Solidarity Sunday. 300,000 New Yorkers of every race and creed gathered to bear witness to one of the great human dramas of our age: The struggle of the Soviet Jewish community to live and worship in freedom.

This was the 10th consecutive year I had the honor of addressing Solidarity Sunday, which is sponsored by the Coalition to Free Soviet Jews. But this year was different. Our gathering was graced by the presence of Anatoly Shcharansky.

May 11 marked the third month of Anatoly Shcharansky's hard-won freedom. It was on February 11 that he was finally released from the Soviet Gulag, reunited with his beloved Avital and welcomed in triumph to the land for which he sacrificed so much.

For 9 years, the participants in this rally carried Anatoly Shcharansky's picture and demanded his freedom. For 9 years, Avital would not allow the world to forget him. For 9 years his devotion to his people and his faith has been a source of inspiration to all Americans. During these 9 years he came to symbolize an entire people. And on Sunday he stood among his extended family—the family of freedom—to remind us of those who are not yet free. It was a moment of rare emotion and beauty.

Yes, all Americans are happy for Anatoly and Avital, but it would be tragic if our elation at their happiness allowed us to forget the more than 2 million Jews who remain behind in the Soviet Union.

In 1979, 51,320 Soviet Jews were permitted to emigrate. Last year 1,140 were allowed to leave. 400,000 Soviet Jews have begun the difficult process of requesting exit visas. 20,000 have been refused; 380,000 remain in bureaucratic limbo. In February, Anatoly Shcharansky was one of 84 Jews who was permitted to leave the Soviet Union. In March, only 47 were granted their freedom. At the same time, Jews are routinely arrested for teaching Hebrew, harassed for organizing prayer groups, and denied the very rights that are theirs under the Soviet Constitution and numerous international accords to which the Soviet Union is a signator.

The Soviet Government must understand that the people and Government of the United States will neither forget nor ignore the Jews of the Soviet Union. For the American interest in a free and humane world, one in which the rights of individuals are protected and valued, is enduring. It is not the creation of any official or individual in Washington; it springs from the character of the American people and is a consequence of our unique national heritage.

The Government of the Soviet Union is the largest and most powerful threat to human liberty in the world. Other regimes may be more murderous than the Soviet Union today, but none are as powerful or as devoted to construction of a totalitarian world in which the individual has no status save what the state finds convenient to accord. So, on the subject of human rights we inevitably and repeatedly return to the policies of the Soviet regime—and we find these policies sadly wanting.

In order for the United States to accord the Soviet Union the status of a civilized society with which we find it acceptable to deal on a regular and regularized basis—engaging, for instance, in international commerce and exchanges of information and ideas—certain minimum standards of behavior must be met in the area of human rights. This is not the sole requisite to improved bilateral relations certainly, but it is an important one.

If the Soviet Government cannot live with the idea of Jews living as Jews in the privacy of their homes and underground synagogues, minimum decency would dictate they be permitted to emigrate. Ten years ago, speaking at the last Solidarity Sunday rally he would be able to attend, my former colleague in the Senate, Hubert H. Humphrey, said, with his characteristic elegance and eloquence: "Let them live as Jews or let them leave as Jews. It is as simple as that."

And so it is.

And until it happens, we will be back here every May.

We did not forget Anatoly Shcharansky—and we will not forget the 2½ million of his fellow Jews who are left behind.

We have not forgotten them—and we have not forgotten Hubert Humphrey, Scoop Jackson, or Jack Javits, who taught our generation so much about human freedom and human dignity. For our generation was not the first to take up this cause. Seventy-five years ago, a rally was held at Carnegie Hall to protest Russian discrimination against its Jewish citizens. The keynote speaker was Woodrow Wilson—the Governor of New Jersey, who went on to serve two distinguished terms as President of the United States.

Woodrow Wilson's words that night of December 6, 1911, are our words to the Soviet regime today: "This is not Jewry's cause alone," he declared. "It is America's. It is the cause of all who love justice."

Mr. President, Woodrow Wilson's call for justice was well reflected in Anatoly Shcharansky's moving address on Solidarity Sunday.

I ask unanimous consent to place his remarks in the CONGRESSIONAL RECORD.

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

REMARKS OF ANATOLY SHCHARANSKY'S

Brothers and sisters, exactly ten years ago I addressed you with my message of greetings on this Solidarity Sunday rally from Moscow and soon after that, this very message of solidarity was used as one of the evidences of my treason at my trial. But that very sense of Jewish solidarity supported me in adversity—during all the long and hard years when we together combatted the tyranny which is trying to destroy our Jewish sense of solidarity.

The Soviet leaders today are trying to separate, to remove Soviet Jews from the bonds of their nation. Four hundred thousand Jews are kept as prisoners in the Soviet Union against their will. Veteran refuseniks like Ida Nudel, like Vladimir Slepak, Victor Brailovsky for fifteen and more years have lived in the conditions of constant repression, arrests, exile. New attempts are waged against our Hebrew culture and our language. Iosif Begun, who is now in the same prison where I was only some months ago, became the first victim of this campaign. Aryeh Volvovsky, who just today celebrates his birthday in the prison, Iosif Berenshtein and Edelstein who are languishing in the Soviet prisons, Alexander Magarik who in these days in waiting for trial, were the next victims of the campaign against our Jewish language. Our solidarity with all these people, with all Soviet Jewry is not only the means to reach our goal. Our solidarity with the land of Israel, expressed most fully in the right of every Jew to live as a part of free people in the land of Israel, is our goal by itself.

The call of solidarity breaks the bridges, breaks all the fences which the Soviet leadership tries to build. This voice of solidarity is felt in the cities and camps and prisons of the Soviet Union. It echoes in the dark corriders of repression. My KGB investigators, my persecutors, my prison guards tried their best to convince me that I am alone, that I am powerless in their hands. But I felt, I knew what they only sensed, that I was never alone, that my wife, my people, that all of you are with me. They tried their best to find me a place that was isolated, from labor camp to prison, from local prison to a special restricted regime, from there to solitary confinement, and then to a punishment cell.

But all these resources of a super-power are not enough towards a man who hears the voice of freedom, to an isolated Jew who hears the voice of solidarity with his people,

the voice which he hears from the very chamber of his soul. And then his wife. In every point of my confrontation with them, they had to retreat. They threatened to kill me, but I remained alive. They sarcastically said that they will save me from the counter-influence of my religion, and tried to confiscate my psalm book, but every time they were compelled to throw it back to me. They tried to isolate me from my relatives, but after every hunger strike, new letters were reaching my family. They told me that this day of my freedom will never come if I wouldn't change my beliefs. But today I am here speaking to you after I joined my wife Avital in Israel. And all this has become possible only because of you.

The solidarity of people behind the bars in the Soviet Union can be expressed only in spirit. You, the people of the free world, can do much, much more. The Soviet leaders, who still delude themselves in thinking that they can keep as prisoners 400,000 of our brothers, must be brought to understand that they will never be able to destroy our solidarity, that courage of Soviet Jews is supported by the commitment of all those who are free to the freedom of their brothers.

This commitment, this solidarity must be expressed in concrete ways which can be understood by Soviet leaders because they, exactly like pharoah in Egypt, pretend not to hear the spiritual voice of our solidarity. That is why it is necessary that our spiritual solidarity will be supported by economic and political pressure. That it why it is so important that such things as the Jackson Amendment will be supported by the American people. This policy has succeeded in the past and it will succeed in the future. The Soviet leaders must understand that without fulfilling the obligations of the Helsinki Accords the atmosphere of trust cannot exist, and without this atmosphere of trust, no new agreements can be reached. No public relations, no cosmetic changes can hide the face of a tyranny which tries to deprive a whole nation of its freedom. This freedom must become the base of the new understanding between the East and West.

As a Zionist, as a Jew, I never forget the call for universal justice which is at the very root of our Jewish identity. The redemption from Egypt which we celebrated on Passover is intrinsically connected with the call for universal justice which we were taught on Sinai. And that is why we must never forget such people as Andrei Sakharov and Yuri Orlov, who exactly like Emile Zola in his day raised their voices to speak out courageously for the rights of a humiliated people. They added their voices for the struggle for Soviet Jewry. Brothers and sisters, from this place my wife Avital every year spoke to you and tried to convince you that your help is very important, that your efforts are not in vain. The fact that today I am speaking is the best proof that she was right. But even if I were not free today, even if I were still in the prison, you must have no doubts that your solidarity, that your struggle is very important, is the only and necessary condition for the very survival of Soviet Jewry.

We have won one battle but the war is still ahead. Our solidarity in spirit and in substance can put, can lay down a cornerstone for the justice of human dignity and for freedom of our people, can become the basis for new understanding between East and West and for a real detente to come. 250,000 Soviet Jews have already been released from the Soviet prison. Four-hundred thousand are still waiting.

Together we have won once. Together we will succeed again.

HUMAN SERVICES REAUTHORIZATION ACT

Mr. BYRD. Mr. President, I am pleased to cosponsor the Human Services Reauthorization Act which will authorize the Community Services Block Grant, Low Income Home Energy Assistance, Head Start, and Dependent Care Programs.

West Virginia has not fared well under this administration's economic policies. In February, West Virginia had the second highest unemployment rate in the Nation—13.5 percent. From 1982 to 1985, West Virginia led the Nation in unemployment. We still have counties in our State that have unemployment rates of over 20 percent. Families have not only lost their jobs; they have also lost their homes. Programs, such as those authorized by this act, will lend a helping hand to those individuals who are struggling to make ends meet and to get back on their feet.

The Community Services Block Grant provides a primary focal point for the delivery of services to low-income Americians, and helps low-income Americans to become self-sufficient. This program reached 100,000 West Virginians during 1985.

The Low Income Home Energy Assistance Program provides assistance to low-income families to help pay for their heating bills. This program has proved to be very important to our Nation's elderly citizens living on fixed incomes. In my State of West Virginia, 77,076 households were helped by this program.

The Head Start Program seeks to help children from low-income families to develop social, physical, and language skills in order that these children may successfully master the very basic skills required to begin elementary school. By giving these children a head start we are, in fact, paving the way for them to become successful and productive adults.

The Dependent Care Program authorized in this bill will provide incentives for the development of after-school care for young children whose parents are working. Incentives are also provided to establish a day care referral program to help parents insure that their children are receiving the best possible care

I hope my colleagues will support this bill.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Saunders, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

MESSAGES FROM THE HOUSE

ENROLLED BILLS AND JOINT RESOLUTIONS SIGNED

At 1:09 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the Speaker has signed the following enrolled bills and joint resolutions:

S. 8. An act to grant a Federal charter to the Vietnam Veterans of America, Inc.;

S. 2308. An act to authorize the President of the United States to award congressional gold medals to Natan (Anatoly) and Avital Shcharansky in recognition of their dedication to human rights, and to authorize the Secretary of the Treasury to sell bronze duplicates of those medals; and

H.R. 4767. An act to deauthorize the project for improvements at Racine Harbor, Wisconsin;

S.J. Res. 251. Joint resolution to designate the week of May 11, 1986, through May 17, 1986, as "National Science Week, 1986"; and

S.J. Res. 323. Joint resolution to designate May 21, 1986, as "National Andrei Sakharov Day".

The enrolled bills and joint resolutions were subsequently signed by the President pro tempore [Mr. THURMOND].

At 5:51 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the House has passed the following joint resolution, without amendment:

S.J. Res. 251. Joint resolution to designate the week of May 11, 1986, through May 17, 1986, as "National Science Week, 1986".

The message also announced that the House has passed the following bills, in which it requests the concurrence of the Senate:

H.R. 1338. An act to amend title 28, United States Code, to allow suit against the United States for acts or omissions of contractors in carrying out the atomic weapons testing program, and to substitute the United States as the party defendant in suits brought against such contractors;

H.R. 2246. An act to reorganize and improve research and statistics in the field of education; and

H.R. 4382. An act to require the Architect of the Capitol to place a plaque at the original site of Providence Hospital.

The message further announced that the House has agreed to the following concurrent resolutions, in which it requests the concurrence of the Senate:

H. Con. Res. 311. Concurrent resolution to permit the 1986 Special Olympics Torch Relay to be run through the Capitol Grounds; and

H. Con. Res. 315. Concurrent resolution to express the sense of Congress that the Secretary of Defense should defer the final award of a contract with respect to Defense Construction Supply Center Solicitation numbered DLA700-85-B-4-4607 (for the purchase of 178 crawler tractors) until Congress completes consideration of the Department of Defense Authorization Act, 1987.

MEASURES REFERRED

The following bills were read the first and second times by unanimous consent, and referred as indicated:

H.R. 1338. An act to amend title 28, United States Code, to allow suits against the United States for acts or omissions of contractors in carrying out the atomic weapons testing program, and to substitute the United States as the party defendant in suits brought against such contractors; to the Committee on the Judiciary.

H.R. 2246. An act to reorganize and improve research and statistics in the field of education; to the Committee on Labor and Human Resources.

The following concurrent resolutions were read and referred as indicated:

H. Con. Res 311. Concurrent resolution to permit the 1986 Special Olympics Torch Relay to be run through the Capitol Grounds; to the Committee on Rules and Administration.

H. Con. Res. 315. Concurrent resolution to express the sense of Congress that the Secretary of Defense should defer the final award of a contract with respect to Defense Construction Supply Center Solicitation numbered DLA700-85-B-4-4607 (for the purchase of 178 crawler tractors) until Congress completes consideration of the Department of Defense Authorization Act, 1987; to the Committee on Armed Services.

ENROLLED BILLS AND JOINT RESOLUTIONS PRESENTED

The Secretary of the Senate announced that on today, May 14, 1986, she had presented to the President of the United States the following enrolled bills and joint resolutions:

S. 8. An act to grant a Federal charter to the Vietnam Veterans of America, Inc.;

S. 2329. An act to make technical corrections in the higher education title of the Consolidated Omnibus Budget Reconciliation Act of 1985;

S.J. Res. 251. Joint resolution to designate the week of May 11, 1986, through May 17, 1986, as "National Science Week"; and

S.J. Res. 323. Joint resolution to designate May 21, 1986, as "National Andrei Sakharov Day".

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-3149. A communication from the Secretary of Education transmitting, pursuant to law, a notice of final funding priorities—Auxiliary Activities: In Service Training-Handicapped Children's Early Education Program; to the Committee on Labor and Human Resources.

EC-3150. A communication from the Secretary of Education transmitting, pursuant to law, a notice of final funding priorities—Handicapped Children's Early Education Program; to the Committee on Labor and Human Resources.

EC-3151. A communication from the Director of the Office of Management and Budget transmitting, pursuant to law, the cumulative report on rescissions and deferrals as of May 1, 1986; jointly, pursuant to the order of January 30, 1975, to the Committee on Appropriations and the Committee on the Budget.

EC-3152. A communication from the Assistant Secretary of Defense transmitting, pursuant to law, a report on the value of property, supplies, and commodities provided by the Berlin Magistrate for the quarter ended March 31, 1986; to the Committee on Armed Services.

EC-3153. A communication from the Deputy Secretary of Defense transmitting, pursuant to law, certification that the Pershing II Program, the Army Helicopter Improvement Program, and the Remotely Piloted Vehicle Program are essential to the national security, have no alternatives at less cost, unit costs are reasonable, and that management structure is adequate; to the Committee on Armed Services.

EC-3154. A communication from the Trustee of the St. George Island Trust transmitting, pursuant to law, the progress report and the audited financial statement as of December 31, 1985; to the Committee on Commerce, Science, and Transportation.

EC-3155. A communication from the Deputy Associate Director of the Minerals Management Service transmitting, pursuant to law, a report on 24 refunds of excess oil and gas lease royalty payments; to the Committee on Energy and Natural Resources.

EC-3156. A communication from the USPS Records Officer, U.S. Postal Service, transmitting, pursuant to law, notice of a computer matching program between the Postal Service and the Missouri Department of Social Services; to the Committee on Governmental Affairs.

EC-3157. A communication from the Administrator of GSA transmitting, pursuant to law, GSA's fourth biennial report on excess and surplus personal property programs; to the Committee on Governmental Affairs.

EC-3158. A communication from the Secretary of Health and Human Services transmitting, pursuant to law, the 1985 annual plan for fiscal years 1987-91 for the National Cancer Institute; to the Committee on Labor and Human Resources.

EC-3159. A communication from the Director of the Federal Mediation and Conciliation Service transmitting, pursuant to law, the Service's freedom of Information report for 1985; to the Committee on the Judiciary.

EC-3160. A communication from the chairman of the Reports Committee of the National Council on Educational Research transmitting, pursuant to law, the council's 1985 annual report; to the Committee on Labor and Human Resources.

PETITIONS AND MEMORIALS

The following petitions and memorials were laid before the Senate and were referred or ordered to lie on the table as indicated:

POM-696. Resolution adopted by the Senate of the State of Hawaii, urging congressional support for the cooperative extension service programs of the U.S. Department of Agriculture; to the Committee on Agriculture, Nutrition, and Forestry.

"SENATE RESOLUTION 186

"Whereas, the creation of the Land-Grant system, consisting of the Land-Grant colleges (Morrill Act, 1862), experiment stations (Hatch Act, 1887), and the Cooperative Extension Service (Smith-Lever Act, 1914) has been one of the major reasons for increased agricultural productivity in the United States; and

"Whereas, increased agricultural productivity has freed workers, formerly occupied with farming, to migrate to urban centers to meet the growing labor demands in industries and services; and

"Whereas, the Land-Grant system, with its teaching, research, and extension programs has served as a model for many countries throughout the world; and

"Whereas, most futuristic thinkers believe that the United States is moving out of the industrial age into a new age, based on information, and the Land-Grant system has an established and proven network to create and distribute up-to-date information and is sufficiently flexible in its organization and its mission to accommodate the emergence of an information-based society; and

"Whereas, the various components of the system (classroom teaching, research on experiment stations, and transfer of technology through extension) are mutually supportive and each of the components would be much less effective without the others; and

"Whereas, proposed reductions in funding threaten the survival of the strong partnership of federal, state, and local governments in agricultural technology development and diffusion; and

"Whereas, under the 1987 budget proposed by President Reagan, the federal funding for the Cooperative Extension Service would be cut by 60 percent resulting in the elimination of many important extension programs in expanded food and nutrition, integrated pest management, urban gardening, farm safety, renewable resources, and rural development; and

"Whereas, the negative impact of federal budget reductions on state and local governments makes it unlikely that individual states will be able to restore much of the federal cut, and indeed states may be forced to make additional cuts in extension activities; now, therefore, be it

"*Resolved by the Senate of the Thirteenth Legislature of the State of Hawaii, Regular Session of 1986*, that the Legislature duly recognize the importance of the Cooperative Extension Service to agricultural and rural development in Hawaii and expresses its support for continued services in the future without excessive reductions; and

"*Be it further resolved* that the President of the United States and the United States Congress are urged to do everything in their power to prevent a major reduction in the federal commitment to the Cooperative Extension Service and the Land-Grant system; and

"*Be it further resolved* that certified copies of this Resolution be transmitted to the President of the United States, the President of the United States Senate, the Speaker of the United States House of Rep-

resentatives, the Hawaii congressional delegation, and the Director of the Hawaii Cooperative Extension Service, College of Tropical Agriculture and Human Resources, University of Hawaii."

POM-697. Joint resolution adopted by the Legislature of the State of Alaska; to the Committee on Agriculture, Nutrition, and Forestry:

"A JOINT RESOLUTION

"Whereas the child nutrition programs in the state serve a wide range of children from all economic backgrounds; and

"Whereas good nutrition is essential to the growth, development, learning, and general well being of children; and

"Whereas the April 1983, National Evaluation of School Nutrition Programs indicated that students who participate in school lunch programs are better nourished than children who do not participate in school lunch programs; and

"Whereas seven affiliated organizations within the state have adopted the Alaska State Nutrition Committee's School Lunch Resolution of January 1984, and this resolution emphasizes the importance of good nutrition; and

"Whereas participation in child nutrition programs is increasing in the state; and

"Whereas the cost of the state's child nutrition programs is also increasing; and

"Whereas approval of the projected cuts in federal funding for child nutrition programs will jeopardize the continuation of the present lunch programs in the state; and

"Whereas the projected federal funding cuts, representing more than a 30 percent reduction from the current funding level of the cash reimbursements for state child nutrition programs, will adversely affect the quality of the existing child nutrition programs and the ability of the state to maintain these programs;

"Be it resolved by the Alaska State Legislature that it urges the United States Congress to maintain the present level of federal funding for child nutrition programs throughout the country."

POM-698. Joint resolution adopted by the Legislature of the State of Illinois; to the Committee on Energy and Natural Resources:

"SENATE JOINT RESOLUTION No. 121

"Whereas, Throughout the history of this nation, women have served bravely, faithfully and tirelessly beside their male counterparts as members of the military; and

"Whereas, Women were an integral force during the nation's first efforts for independence, with several thousand women serving during the American Revolution; and

"Whereas, During World War II, women entered and mastered jobs previously restricted to men, and 265,000 women were recruited into the Armed Forces; and

"Whereas, Today more than 200,000 women are on active duty in the Armed Forces; and

"Whereas, House Joint Resolution 36, which is now before Congress, authorizes the establishment of a memorial in the District of Columbia or its environs honoring the thousands of women who have served in the Armed Forces; therefore, be it

"Resolved, by the Senate of the Eighty-Fourth General Assembly of the State of Illinois, the House of Representatives concurring herein, that we urge Congress to pass the proposed Resolution 36, establishing a memorial in the District of Columbia or its environs honoring the thousands of women who have served in the Armed Forces; and that we commend the brave women who served our country; and be it further

"Resolved, That suitable copies of this preamble and resolution be presented to the leaders of both Houses of Congress, the members of the Illinois delegation to Congress and the President of the United States, with our strongest urgings."

POM-699. Concurrent resolution adopted by the Legislature of the State of Utah; to the Committee on Environmental and Public Works:

"HOUSE CONCURRENT RESOLUTION No. 18

"Whereas, the U.S. Environmental Protection Agency (EPA) has proposed new drinking water regulations which establish new monitoring requirements and concentration standards for toxic chemicals in drinking water;

"Whereas, monitoring drinking water supplies as proposed by the EPA would be costly, and would particularly affect the water costs of small communities, which would be required to test just as the larger communities would, but who woud have to spread the cost over a much smaller number of users;

"Whereas, it is difficult to know just how necessary the proposed monitoring requirements are;

"Whereas, extremely high monitoring costs may force smaller systems to defer needed improvements in operating and maintenance resulting in even greater health risks from bacterial contamination;

"Whereas, the Utah Department of Health held public meetings in late January, where more than 300 water suppliers expressed grave concern over the cost and benefit of the proposed monitoring requirements;

"Whereas, the proposed regulations do not provide for state personnel to exempt water sources from the initial monitoring requirements which are not vulnerable to contamination;

"Whereas, the EPA has estimated the costs to taxpayers to be $280 million yearly, a gross underestimation of the actual cost;

"Whereas, the EPA estimates that the new monitoring requirements will cost state health departments an average of $100,000 the first year, and $50,000 per year thereafter;

"Whereas, the number of illnesses that may be prevented is estimated to be so small that the high cost is not justified on the basis of public health concerns;

"Whereas, if the proposed monitoring requirements were implemented, laboratory capacity in the state would be a serious problem, since there are only three laboratories in the state capable of completing the proposed analyses for nearly 400 community water systems with an average of three sources each, requiring an impossible 1,172 samples the first year for 59 different chemicals from just three laboratories;

"Whereas, even if analyses are done, there is no guarantee they will be accurate, since no nationwide laboratory certification program exists that would assure the value of a completed analysis; and

"Whereas, the proposed EPA monitoring program is clearly not in the best interests of the state of Utah; Now, therefore, be it

"Resolved that the Legislature of the state of Utah, the Governor concurring therein, finds the proposed regulations to be:

"(a) extremely burdensome on small drinking water systems;

"(b) not cost-effective from a public health standpoint;

"(c) premature, since laboratory data is of questionable value without a laboratory certification program, and since compelling health effects data is not yet available; and

"(d) unrealistic, in that they ignore the great diversity in water source vulnerability.

"Be it further resolved that the Legislature and Governor petition the EPA to:

"(a) accept state personnel's evaluation of source vulnerability and monitoring needs, including initial monitoring;

"(b) require monitoring for low vulnerability sources on a voluntary basis until a laboratory certification program and compelling data in health risks are available; and

"(c) strengthen the enforcement of pollution control programs so drinking water sources will be better protected from contamination.

"Be it further resolved that the Legislature and Governor encourage Congress to compare the relative health benefits to be gained from these water testing regulations with the benefits to be gained from other obviously needed health protection programs.

"Be it further resolved that a copy of this resolution be prepared and forwarded to the EPA, both the Washington office and the Denver regional office, the President of the U.S. Senate, the Speaker of the U.S. House of Representatives, and the members of Utah's congressional delegation."

POM-700. Resolution adopted by the Board of Education of Lemont Community Consolidated School District 113, Lemont, IL, opposing certain provisions of H.R. 3838; to the Committee on Finance.

POM-701. Resolution adopted by the Board of Education of School District No. 31, Cook County, IL, opposing certain provisions of H.R. 3838; to the Committee on Finance.

POM-702. Resolution adopted by the House of Representatives of the State of Missouri; to the Committee on Finance.

"RESOLUTION

"Whereas, the members of the Missouri House of Representatives strongly support tax reform which embodies the concepts of equity, simplicity, economic opportunity, progressivity and preserving the historic relationship of state and local governments to the federal government; and

"Whereas, the proposed federal income tax reform plan proposes the elimination of the tax exemption for nearly all state, county and city bonds, the elimination of advance refunding bonds, the elimination of rehabilitation and historic tax credits and the elimination of banks' deductions of costs incurred in buying and carrying municipal bonds; and

"Whereas, the elimination of the tax exemption for many municipal bonds (those where more than five percent of the proceeds flow to any entity other than a state or local government) would jeopardize many public services, including water and sewer projects, low income housing, docks and wharves, airports, hospitals, utilities, bonds for economic development, mortgage revenue bonds, students loan bonds and other important programs; and

"Whereas, the elimination of advance refunding bonds will prevent state and local governments from refinancing their debt at lower interest rates, restructuring their debt

repayment schedule and removing restrictive covenants in the original bond covenants; and

"Whereas, the elimination of banks' deductions of costs incurred in buying and carrying municipal bonds will significantly impact the market for municipal bonds resulting in increased costs to state and local governments; and

"Whereas, significant reforms have already been enacted by the Congress which restrict the use of industrial development bonds and mortgage revenue bonds; and

"Whereas, the elimination of rehabilitation and historic preservation tax credits, along with the elimination of the investment tax credit, jeopardizes the rehabilitation of older commercial buildings, central city downtowns and old, declining neighborhoods; now, therefore, be it

Resolved that we, the Missouri House of Representatives, Eighty-third General Assembly, hereby call upon the President of the United States and Congress to continue to allow the use of tax exempt bonds for important public purposes, including, but not limited to, low and moderate income housing, resource recovery, docks and wharves, airports, water and sewer projects, hospitals and health facilities, utilities, transit, environmental protection, prisons and the like; and that small issue industrial development bonds be available to those areas that need them most; and

"Be it further resolved that advance refunding bonds are necessary for the fiscal management of state and local governments; and

"Be it further resolved that banks' deductions of costs incurred in buying and carrying municipal bonds are necessary to preserve a traditional segment of the municipal bond market; and

Be it further resolved that rehabilitation and historic tax incentives as important tools for revitalizing cities should be retained; and

Be it further resolved that the Chief Clerk of the Missouri House of Representatives be instructed to mail copies of this resolution to the President of the United States, and the Vice President, Treasury Secretary James Baker, Acting Assistant Treasury Secretary for Tax Policy Roger Metz and the Senators and Congressmen representing the State of Missouri with the request that they not support any restrictions on the right of state and local governments to issue tax exempt bonds for public purposes."

POM-703. Resolution adopted by the Council of the Village of McDonald, Ohio supporting the family and friends of American prisoners of war and missing in action in Southeast Asia; to the Committee on Foreign Relations.

POM-704. Joint resolution adopted by the Legislature of the State of Alabama, to the Committee on Foreign Relations.

"HOUSE JOINT RESOLUTION 409

"Whereas, although our federal government does not directly lend money to foreign countries for agricultural or other purposes, the United States is the largest shareholder and a guarantor of such loans made by the World Bank and, for comparative purposes, we are addressing the issue of agricultural loans made by said institution; and

"Whereas, a research of financing reveals that the World Bank consists of two major components:

"a. International Bank for Reconstruction and Development (IBRD), which makes loans to governments on conventional terms, charges all borrowers the same fixed interest rate for relatively long periods; in 1981, the interest rate was 9.6% with an average repayment period of from 15-20 years and this same type of lending continues today, with IBRD charging .5% more than their current borrowing rate, and these loans are available to countries who qualify as "advanced, less-developed countries";

"b. International Development Association (IDA), the second component of the World Bank, lends money to those countries considered "least developed" and which do not qualify for IBRD; loans by IDA must be repaid, but there is no interest charged, except for an administrative fee, and repayment periods may be extended for up to 50 years; and

"Whereas, by comparison, in 1981, long-term (25 years) agricultural loans were available to American farmers through the Federal Land Bank at interest rates in the 11% range and the current rate is up to 12%; this and other favorable loan conditions are in stark contrast to IBRD loans and beyond comparison to no-interest IDA loans, of which $2.5 billion were guaranteed by the U.S. government in 1985, with $5.5 billion in guaranteed loans projected for 1986; and

"Whereas, with the U.S. government's role in the World Bank firmly fixed in mind—that of major shareholder and a guarantor of loans with highly favorable financing—and in knowledge of the unfavorable rates and conditions imposed on our American farmers, we now address the issue of competitive imports by our government; and

"Whereas, according to Statistical Abstract 1985, the U.S. government imported $16.6 billion in agricultural products; this, we are reminded, was in the same year the government guaranteed $2.5 billion in low cost agricultural loans to countries competing with our American farmers in the production of many of the same commodities, but with production costs to our farmers reflecting much more unfavorable loan interest rates and conditions; and

"Whereas, we again point out that such inequities include but, by no means, are limited to agricultural loans, and we are appalled to consider the ramifications of these selfsame inequities applying to the textile and other major U.S. industries; and

"Whereas, the Alabama Legislature finds it totally incomprehensible that our government, through its association with the World Bank, is in fact perpetrating grave injustices against major U.S. industries, and such policies can no longer be tolerated; now therefore, be it

Resolved by the Legislature of Alabama, both Houses thereof concurring, That in consensus of belief that our nation's leaders are charged with the responsibility and duty of protecting the interests and well-being of these United States and all citizens thereof, we hereby call upon the Administration and the Congress to act, and to cause that loans be made available to the various U.S. sectors under the same terms and conditions as comparable loans made to foreign countries by the World Bank; and we further call for the United States' withdrawal from the World Bank in the event that such action is not forthcoming.

"Be it further resolved, That copies of this resolution be forwarded to President Ronald Reagan, to the presiding officers of the U.S. Senate and the House of Representatives, and to each member of the Alabama Congressional Delegation to Washington, D.C."

POM-705. Resolution adopted by the Council of Navarre, Ohio, recognizing June 21, 1986 as Save American Industry/Jobs Day; to the Committee on the Judiciary.

POM-706. Resolution adopted by the Council of the Village of McDonald, Ohio, recognizing June 21, 1986, as Save American Industry/Jobs Day; to the Committee on the Judiciary.

POM-707. Joint resolution adopted by the Legislature of the State of Colorado; to the Committee on the Judiciary.

"HOUSE JOINT RESOLUTION No. 1007

"Whereas, The Congress of the United States lays and collects taxes and disburses federal funds raised from such taxes among the several states in order to provide for the general welfare of the United States; and

"Whereas, The initial allocation and continued disbursement of these federal funds is often conditioned on compliance, by the legislatures of the several states, with specific requirements in federal law, such that the failure or refusal of a state legislature to so comply results in federal funds not being allocated to that state or in the reduction or elimination of federal funds that are being disbursed to that state; and

"Whereas, The threat of refusal to allocate federal funds, and the threat of reduction or elimination of such federal funds as are being disbursed, in effect coerces the legislatures of the several states to enact legislation that complies with specific requirements embodied in federal law; and

"Whereas, This coercion is contrary to the nature of the government of the United States as a government of delegated powers and undermines the ability of the legislatures of the several states to exercise, through their legislation, the powers reserved to the several states under the Tenth Amendment to the Constitution of the United States; Now, therefor, be it

"Resolved by the House of Representatives of the Fifty-fifth General Assembly of the State of Colorado, the Senate concurring herein:

"That the general assembly hereby petitions the Congress of the United States to propose an amendment to the Constitution of the United States, and to submit such amendment to the state legislatures for ratification, in a form substantially as follows:

"ARTICLE—

"'The United States shall not condition the initial allocation and continued disbursement to the states of federal funds raised by taxation on the states' compliance with specific requirements of federal law.'

"*Be it further resolved,* That copies of this Resolution be transmitted to the President of the Senate and the Speaker of the House of Representatives of the Congress of the United States and to each member of Congress from the State of Colorado."

POM-708. Joint resolution adopted by the Legislature of the State of Georgia; to the Committee on the Judiciary:

"A RESOLUTION

"Be it resolved by the General Assembly of Georgia: That the State of Georgia urges the Congress of the United States to propose an amendment to the Constitution of the United States which would authorize the public schools to conduct a brief period of voluntary silent prayer, meditation, or contemplation at the opening of each school day.

"Be it further resolved that the State of Georgia requests the Congress to submit to

the several states an amendment to the Constitution of the United States for purposes of ratification.

"Be it further resolved that the State of Georgia also proposes that the legislatures of each of the several states comprising the United States apply to the Congress requesting the enactment of an amendment to the United States Constitution, as described in this resolution.

"Be it further resolved that this resolution be transmitted to the Secretary of State and presiding officers of the houses of the legislature of each of the other states in the union, to the President and Vice President of the United States, to the Speaker of the United States House of Representatives, to each senator and representative in the Congress of the United States, to the Clerk of the United States House of Representatives, and to the Secretary of the United States Senate."

POM-709. Proclamation of the Mayor of Amherst, Ohio, recognizing June 21, 1986 as Save American Industry/Jobs Day; to the Committee on the Judiciary.

POM-710. Petition from a citizen of Concord, New Hampshire, favoring the adoption of the English language amendment to the Constitution of the United States; to the Committee on the Judiciary.

POM-711. Resolution adopted by the City Council of Massillon, Ohio, recognizing June 21, 1986 as Save American Industry/Jobs Day; to the Committee on the Judiciary.

POM-712. Resolution adopted by the Mayor and Council of the Borough of Brielle, New Jersey, favoring an amendment to the 16th amendment to the Constitution relating to taxation; to the Committee on the Judiciary.

POM-713. Petition from a citizen of Spanish Fork, Utah, favoring the return of the FBI to its domestic intelligence gathering activities; to the Committee on the Judiciary.

POM-714. Resolution adopted by the City Council of Bay Village, Ohio recognizing June 21, 1986 as Save American Industry/Jobs Day; to the Committee on the Judiciary.

POM-715. Joint resolution adopted by the Legislature of the State of Alabama; to the Committee on the Judiciary.

SENATE JOINT RESOLUTION 245

"Whereas, Jens-Peter Berndt is a native of Potsdam, East Germany, who lived for 21 years within a few miles of the West German border and the heavily guarded fences that serve as barriers to personal freedom for East German citizens; and

"Whereas, Peter Berndt, however, lived a life void of the deprivations suffered by the majority of the East German people, as he was one of his nation's most famous athletes and former world record holder in the 400-meter individual medley; and

"Whereas, though financially secure and otherwise enjoying the "good life," it was the lack of personal freedom that led Jens-Peter Berndt to his irreversible decision, on January 7, 1985, to ask for asylum in the United States; and

"Whereas, Peter Berndt, the first East German athlete ever to defect to our country, is now a student and member of the University of Alabama swim tean where he has made extensive contributions, taking second place in last year's NCAA meet in the 400 Individual Medley and also in the 200 IM; and

"Whereas, now the adopted son of Tom and Becky Patterson of Birmingham, Alabama, Jens-Peter Berndt-Patterson is seeking a means to compete in the 1988 Olympics as an American citizen, a process that normally takes a period of five years; and

"Whereas, though a berth in the 1988 Olympics would be virtually assured by his declaration of West German citizenship, for which he is eligible, it is Peter's earnest desire to compete as a representative of our nation, now his, and that of his adoptive parents; and

"Whereas, Peter Berndt-Patterson is a fine young man, an exceptional athlete regarded as one of the most promising swimmers in the world, and a young man of great courage as evidenced by his heart-rending decision to forever leave not only his homeland, but his family as well, for whose safety and well-being he yet fears; his desire for freedom was strong and just as strong is his desire to compete as an American, and for America, in the 1988 Olympics; now therefore, be it

"Resolved by the Legislature of the State of Alabama, both Houses thereof concurring, That we hereby most earnestly beseech of the United States Congress the special dispensation of private legislation granting American citizenship to Jens-Peter Berndt-Patterson of Birmingham, Alabama, to enable him to compete as an American in the 1988 Olympic Games.

"Be it further resolved, That copies of this resolution be dispatched forthwith to the presiding officers of the United States Senate and the House of Representatives, and to the members of the Alabama Congressional Delegation that they may be advised of the Legislature's sincere desire in the case for citizenship for Jens-Peter Berndt-Patterson of Alabama."

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. DANFORTH, from the Committee on Commerce, Science, and Transportation, with an amendment in the nature of a substitute:

S. 1966. A bill to provide for efficient and equitable use of operating rights at congested airports, and for other purposes (Rept. No. 99-299).

EXECUTIVE REPORTS OF COMMITTEES

By Mr. LUGAR, from the Committee on Foreign Relations:

Paul H. Nitze, of the District of Columbia, to be Ambassador at Large;

Contributions are to be reported for the period beginning on the first day of the fourth calendar year preceding the calendar year of the nomination and ending on the date of the nomination.

Nominee: Paul Henry Nitze.

Post: Ambassador at Large.

Contributions, amount, date, donee:

1. Self, $1,000, December 1985, 1986 GOP Victory Fund; $25, December 1985, Cmte for Tim Wirth; $50, September 1985, Citizens for Jack Kemp; $25, September 1985, The Kemp Salute Dinner; $500, September 1985, National Republican Congressional Cmte; $1,500, March 1985, The President's Dinner; $125, January 1985, Richardson for Senate; $250, March 1984, Americans with Hart; $1,500, March 1984, The President's Dinner; $750, July 1984, 1985 GOP Victory Fund; $200, July 1984, Cmte for Tim Wirth; $850, September 1984, Gerald R. Ford New Leadership Cmte; $750, October 1984, 1984 GOP Victory Fund; $50, October 1984, Citizens for Congresswoman Olympia Snowe; $250, 1983, GOP Victory Plan; $100, March 1982, Cmte for Tim Wirth; $200, April 1982, Cmte for Tim Wirth; $250, April 1982, 1982 Republican Senate-House Dinner; $100, September 1982, Thomas for Legislature Cmte; $100, September 1982, Citizens for Emery Cmte; $25, September 1982, Friends of Ham Fish, Jr.; $100, September 1982, Fenwick for Senate Cmte;

$1,000, 1981, Reagan for President; $150, 1981, Marylanders for Mathias; $50, 1981, Anderson for President; $50, 1981, Ravenel for Congress; $200, 1981, Cmte for Tim Wirth; $100, 1981, Hank Brown for Congress; $50, 1981, Democratic Congressional Campaign Cmte; $100, 1981, Democratic Congressional Dinner Cmte; $100, February 1981, Connally for President Cmte; $750, February 1981, 1981 GOP Victory Fund; $100, April 1981, Citizens for Congresswoman O. Snowe; $100, April 1981, Moynihan 1982 Campaign; $50, April 1980, Marylanders for Mathias; $50, March 1980, Anderson for President; $250, April 1980, Reagan for President Cmte; $100, September 1980, Marylanders for Mathias; $50, September 1980, Ravenel for Congress Cmte; $200, September 1980, Cmte for Tim Wirth; $100, October 1980, Hank Brown for Congress; $750, October 1980, 1980 GOP Victory Fund.

2. Spouse, none.

3. Children and Spouses: Peter Paul Nitze, $500, October 1980, Cmte to Re-elect Congressman Bill Green; $100, October 1980, Hank Brown for Congress; $500, May 1982, Cmte for Congressman Bill Green; $150, May 1982, New Yorkers for Lew Lehrman; $300, September 1984, Cmte for Congressman Green; Susan Nitze, none.

William A. Nitze, $100, March 1981, Republicans Abroad International Dues; $200, September 1981, Republicans Abroad—NY Dinner; $100, March 1982, Republican National Cmte Campaigner Membership Fund; $500, April 1982, NY State Republican Finance Cmte (Dues); $100, August 1982, 1982 GOP Victory Fund; $100, August 1982, Republicans Abroad International (Dues); $100, October 1982, 1982 GOP Victory Fund; $100, December 1982, Republican National Cmte—1983 Campaign Membership; $500, March 1983, Republican National Cmte; $200, June 1983, NY Republican State Comm.; $100, June 1983, Friends of Carolyn B. Mahoney (local NY City Councilmember);

$500, July 1983, NY State Republican Finance Cmte (Dues); $250, October 1983, Citizens for Percy 1984; $500, November 1983, Reagan-Bush; $50, December 1983, NY Republican State Comm.; $50, January 1984, Cmte for a Republican Assembly; $250, February 1984, NY Republican State Comm.; $500, March 1984, The Cmte for Congressman Bill Green; $500, April 1984, Republican National Cmte; $100, April 1984, Republican National Cmte; $500, May 1984, Republican Congressional Boosters Club; $1,000,[1], July 1984, Victor Ashe for U.S. Senate $1,000,[1] July 1984, Bethune for Senate (amount originally $2,000 but $1,000 returned); $1,000,[1] July 1984, The Humphrey Team; $1,000,[1] July 1984, Jepson for Senate; $1,000,[1] July 1984, Lousma for U.S. Senate Cmte; $500, August 1984, Armstrong for Senate; $500, August 1984, 500 Club

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[1] Republican Senatorial Trust.

(Dues); $250, October 1984, Cmte for Congressman Bill Green; $250, November 1984, Cmte for Congressman Bill Green; $250, January 1985, National Republican Senatorial Campaign Cmte (Inaugural tickets); $500, February 1985, NY Republican County Cmte (dinner tickets); $1,000, May 1985, Republican Congressional Boosters Club; $1,000,[1] June 1985, Friends of Al D'Amato; $10,000,[1] June 1985, National Republican Senatorial Cmte; $1,000, June 1985, Cmte for Congressman Bill Green.

Ann K. Nitze, $1,000,[1] July 1984, Victor Ashe for U.S. Senate; $1,000,[1] July 1984, The Humphrey Team; $1,000,[1] July 1984, Jepson for Senate; $1,000,[1] July 1984, Lousma for U.S. Senate Cmte.

Phyllis N. Thompson, $250, 1981, John Kerry Campaign; $250, November 1985, Jim Roosevelt Campaign.

4. Parents: Father, William N. Nitze (deceased); Mother, Anina Hilken Nitze (deceased).

5. Grandparents: Grandfather, deceased; grandmother, deceased.

6. Brothers and spouses, none.

7. Sisters and spouses: Sister, Mrs. Walter Paepcke, $1,000, 1980, Anderson for President (she also made small contributions to several senatorial campaigns; Senator Percy is the only one she recalls.) Brother-in-law, Walter Paepcke, deceased.

Warren Zimmerman, of Virginia, a Career Member of the Senior Foreign Service, Class of Minister-Counselor, for the rank of Ambassador in his capacity as Chief of the United States Delegation to the Vienna Conference on Security and Cooperation in Europe Follow-up Meeting;

Contributions are to be reported for the period beginning on the first day of the fourth calendar year preceding the calendar year of the nomination and ending on the date of the nomination.

Nominee: Warren Zimmerman.

Post: Ambassador.

Contributions, amount, date, donee:

1. Self, Warren Zimmerman, none.

2. Spouse, Corinne C. Zimmerman, none.

3. Children and spouses names: Corinne A. Zimmerman, Warren Zimmerman, Jr., Elizabeth B. Zimmerman (none has made any contribution).

4. Parents names: Albert W. Zimmerman, deceased; Barbara Shoemaker Zimmerman, deceased.

5. Grandparents names: John Zimmerman, deceased; (don't know paternal grandmother's name—died c. 1917); Dr. William Toy Shoemaker; Mabel Warren Shoemaker, both deceased.

6. Brothers and spouses names: Dr. Albert W. Zimmerman; Mrs. Lenore Zimmerman, $100, 1984 local Republicans.

7. Sisters and spouses names: Dr. Helene Z. Hill, $50, 1984 Hart campaign; Dr. George Hill, $100, 1984 Reagan campaign; Mrs. Melvin T. Johnson, $50, 1984 Local Republicans; Mr. Melvin T. Johnson, $50, 1984 Local Republicans.

Ronald Frank Lehman II, of Virginia, for the rank of Ambassador during his tenure of service as United States Negotiator for Strategic Nuclear Arms:

Contributions are to be reported for the period beginning on the first day of the fourth calendar year preceding the calendar year of the nomination and ending on the date of the nomination.

Nominee: Ronald Frank Lehman II.

Post: U.S. Negotiator for Strategic Nuclear Arms.

Contributions, amount, date, donee:

1. Self, none.

2. Spouse, none.

3. Children and spouses names: None.

4. Parents names: Ronald Frank Lehman; Esther Marguerite Lehman, none.

5. Grandparents names: Arthur David Suhr (deceased); Eta Suhr (deceased); Owen W. Lehman (deceased); Grace Lehman (deceased), none.

6. Brothers and spouses names: Jon Frederick Lehman, none.

7. Sisters and spouses names: Janice Loretta Lehman, none.

(The above nominations were reported with the recommendation that they be confirmed, subject to the nominees' commitment to appear and testify before any duly constituted committee of the Senate.)

[1] Republican Senatorial Trust.

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 Mrs. KASSEBAUM:

S. 2447. A bill to provide for improved disclosure of certain rail transportation contracts; to the Committee on Commerce, Science, and Transportation.

By Mr. GOLDWATER (for himself, Mr. GARN, and Mr. SASSER):

S. 2448. A bill to repeal Public Law 87-186 relating to the National Armed Forces Museum Advisory Board of the Smithsonian Institution; to the Committee on Rules and Administration.

By Mr. ROTH:

S. 2449. A bill to amend the Tariff Act of 1930 to eliminate the requirement of injury to a U.S. industry in certain section 337 cases; to the Committee on Finance.

By Mr. HEINZ (for himself, Mr. CHILES, Mr. ABDNOR, Mrs. HAWKINS, Mr. RIEGLE, Mr. ANDREWS, Mr. D'AMATO, Mr. DENTON, Mr. DOLE, Mr. DOMENICI, Mr. MOYNIHAN, Mr. LUGAR, Mr. CRANSTON, Mr. KASTEN, Mr. BYRD, Mr. ROTH, and Mr. GLENN):

S. 2450. A bill to amend title II of the Social Security Act of remove permanently the 3-percent threshold requirement for cost-of-living increases; to the Committee on Finance.

By Mr. MELCHER (for himself and Mr. INOUYE):

S. 2451. A bill to provide for entry into the United States of sugar only from friendly developing countries, to provide for entry of sugar from the Philippines on at least as favorable terms as sugar from any other country, and for other purposes; to the Committee on Finance.

By Mr. THURMOND (for himself, Mr. ABDNOR, Mr. DENTON, Mr. DOLE, Mr. BRADLEY, Mr. BURDICK, Mr. LEVIN, Mr. NUNN, Mr. ZORINSKY, Mr. PRYOR, Mr. LAXALT, Mr. MOYNIHAN, Mr. HOLLINGS, Mr. MCCLURE, Mrs. HAWKINS, Mr. DODD, Mr. INOUYE, Mr. LAUTENBERG, Mr. NICKLES, Mr. CHAFEE, Mr. BENTSEN, Mr. METZENBAUM, Mr. MATTINGLY, Mr. RIEGLE, and Mr. STEVENS):

S.J. Res. 344. Joint resolution to designate the week beginning June 8, 1986, as "National Children's Accident Prevention Week"; to the Committee on the Judiciary.

By Mr. DOLE.

S.J Res. 345. Joint resolution to designate the week beginning November 9, 1986, as "National Reye's Syndrome Awareness Week"; 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. CRANSTON:

S. Res. 407. Resolution to express the sense of the Senate in support of tax differential for long-term capital gains; to the Committee on Finance.

By Mr. DOLE (for himself, Mr. NICKLES, Mr. QUAYLE, Mr. HELMS, Mr. ZORINSKY, Mr. ABDNOR, Mr. MELCHER, Mr. GRASSLEY, Mr. BAUCUS, Mrs. HAWKINS, Mr. BURDICK, Mr. MATTINGLY, Mr. FORD, Mr. SYMMS, Mr. HOLLINGS, Mr. HATCH, Mr. LEVIN, Mr. DENTON, Mr. BENTSEN, Mr. MCCONNELL, Mr. LEAHY, Mrs. KASSEBAUM, Mr. BOREN, Mr. COCHRAN, Mr. HEFLIN, Mr. BOSCHWITZ, Mr. DIXON, Mr. WILSON, Mr. SIMON, Mr. DANFORTH, Mr. DOMENICI, Mr. MCCLURE, Mr. DURENBERGER, Mr. THURMOND, Mr. WALLOP, Mr. LUGAR, Mr. KASTEN, Mr. PRESSLER, Mr. GORTON, Mr. ARMSTRONG, Mr. ROTH, Mr. NUNN, Mr. HATFIELD, Mr. RIEGLE, Mr. SIMPSON, Mr. EVANS, Mr. EXON, Mr. PACKWOOD, Mr. EAGLETON, Mr. DECONCINI, Mr. GOLDWATER, Mr. BUMPERS, Mr. TRIBLE, Mr. ANDREWS, Mr. PRYOR, Mr. EAST, Mr. SASSER, Mr. LAXALT, Mr. GRAMM, Mr. GARN, and Mr. GORE):

S. Con. Res. 138. Concurrent resolution expressing the sense of the Congress with respect to Farm Credit System agricultural loan restructuring; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. QUAYLE:

S. Con. Res. 139. Concurrent resolution to limit the amount that may be expended in any fiscal year by a Member of Congress for franked mail; considered and agreed to.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mrs. KASSEBAUM:

S. 2447. A bill to provide for improved disclosure of certain rail transportation contracts; to the Committee on Commerce, Science, and Transportation.

AGRICULTURAL SHIPPER PROTECTION ACT

Mrs. KASSEBAUM. Mr. President, I am introducing today a simple yet necessary piece of legislation. The title, the Agricultural Shippers Protection Act, was carefully chosen to indicate the importance of this legislation, especially to smaller shippers of agricultural commodities.

In 1980, we enacted landmark legislation which effectively deregulated the railroad industry. In most instances, railroads were freed from rate regulation. The level of scrutiny by the Interstate Commerce Commission was reduced in virtually every phase of rail regulation.

I am not here to argue against the Staggers Act. I supported it at the time and remain convinced of its positive contribution to a healthy and viable rail transportation system. I do, however, want to highlight a problem, recognized by Congress in 1980, which continues to this day.

Section 208 of Staggers—49 U.S.C. 10713—authorized railroads and shippers to enter into contracts for the product and commodity shipments. This was a critical step in permitting railroads and shippers the flexibility to meet the transportation demands of today's business. Contracting, in terms of the number of contracts filed with the ICC, has to be considered a success. Tens of thousands of contracts have been entered into by shippers and railroads.

Congress did not, however, sanction all contracts in all situations. In response to the specific concerns of small agricultural shippers, including forest products and paper shippers, special protections were provided in the statute to ensure fair competition in contract rates. Railroads could not engage in unfair discrimination among shippers nor could railroads and shippers engage in destructive competitive practices.

To effectuate these special protections for small grain shippers, we mandated the disclosure of "essential terms" of rail contracts. This disclosure was intended to allow agricultural shippers the opportunity to discover contracts which could potentially affect them and to challenge those contracts before the ICC. By granting this unique measure of protection, Congress sought to provide a particular remedy for discrimination or unfair competition.

Now one would think that 6 years later we could review a record with numerous examples of cases where smaller grain shippers challenged contracts as discriminatory or as a destructive competitive practice. Surprise! Because of the ICC's twisted definition of "essential terms" and its narrow interpretation of this small shipper protection, no shippers have had a realistic chance to make their case at the Commission. After 6 years, it is time to realize that small shippers are still at the mercy of larger competitors and yet have been denied by the ICC the chance to prove their case.

This bill would enhance small shippers chances of discovering and challenging potentially illegal contracts without undermining any contracting party's legitimate or necessary right to confidentiality. The legislation is targeted narrowly to expand the important information available to shippers when a rail contract is filed. With this better information, a grain or forest product shippers can identify potential discrimination or unfair competition, challenge the contract, and have their case decided on the merits by the ICC. No longer will smaller shippers have the ICC door slammed in their face by the ambiguities of current contract disclosure.

This bill would mandate the disclosure of certain terms which I believe everyone in 1980 considered "essential." The identity of the shipper party to the contract, the specific origins, transit points and other shipper facilities, the duration of the contract, and the actual volume requirements, if any, would be disclosed in the nonconfidential contract summary published by the ICC. The ICC would have 60 days to issue regulations providing for the nonconfidential publication of this information. In addition, the ICC would be directed to interpret liberally the disclosure provisions to provide for necessary discovery by shippers.

The bill would treat substantive amendments to any contract, which may remain effectively undiscoverable today, as separate contract, subject to the same disclosure rules as the initial contract. This would ensure that a contract, once approved by the ICC, could not be changed substantially without some notice to competing shippers.

In order to give potentially affected shippers the opportunity to challenge a contract rate before it becomes effective, the bill would prohibit transportation at the contract rate until after ICC approval of the contract. This would eliminate cases where a shipment occurs before the contract rate can be challenged and before ICC approval of the contract.

Finally, the bill would require the ICC to conduct a study assessing the impact on grain shippers of variations between contract rates and published tariff rates. In September of last year, the Department of Agriculture and Kansas State University published a study entitled "Impacts of Rail Deregulation on Marketing of Kansas Wheat." I believe that study was helpful in determining the need for implementing the intent of the Staggers Act disclosure provisions. A broader study by the ICC would improve our understanding of the grain transportation.

Mr. President, there is a great deal of controversy surrounding the Staggers Act and efforts to revise the act. That controversy should not extend to this rather simple change. Passage of this legislation will simply provide the information necessary for free and fair competition. It will signal that the Congress was serious in 1980 when it passed specific protections for small agricultural shippers.

I have no illusion that this small revision will alter the economics of grain transportation. This effort will not save small elevators or small shippers whose facilities or business practices are out of date. What it will do, though, is perhaps more important. It will grant to small shippers their day in court. That much we can and should do.

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. 2447

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

SECTION 1. This act may be cited as the Agricultural Shipper Protection Act of 1986."

SEC. 2. Section 10713(b) of Title 49 United States Code is amended by inserting "(1)" after "(b)"; and by adding at the end a new paragraph as follows:

"2(A) The essential terms of any contract for the transportation of agricultural commodities (including forest products and paper) to be made available to the general public in tariff format under this subsection shall include, but shall not be limited to, (i) the identity of the shipper party to the contract; (ii) the specific origins, transit points and other shipper facilities subject to the contract, and destinations served under such contract; (iii) the duration of the contract, including provisions for optional extension; and (iv) the actual volume requirements, if any. The Commission shall liberally interpret this subsection to provide for liberal discovery to shippers seeking remedies created under Subsection (d)(2)(B) of this section.

"(B) Any amendment, supplement or change to any term or provision of any contract described in sub-paragraph (A), including extensions of such contract, changes of origin, transit points, affected shipper facilities, destination points, or negotiated economic terms, shall be deemed to be a separate and new contract for the purposes of this subsection. Such amendments, supplements or changes shall be filed separately with the Commission as provided in section (b) hereof.

"(C) Within 60 days after the enactment of this Act, the Commission shall issue regulations which require that essential terms of contracts described in sub-paragraph (A) shall be made available to the general public in tariff format as provided in this paragraph.

"(D) No rail transportation service may begin under a contract or an amendment to a contract before the date such contract is filed with and approved by the Commission.

"(E) The railroad contract rate advisory service established pursuant to Subsection (m) of this section shall assess the impact on competition among agricultural shippers of variations between contract rates for various shipments and the published single car rates, and submit a report to the Congress not later than 120 days after the enactment date of this Act."

By Mr. GOLDWATER (for himself, Mr. GARN, and Mr. SASSER):

S. 2448. A bill to repeal Public Law 87-186 relating to the National Armed Forces Museum Advisory Board of the Smithsonian Institution; to the Committee on Rules and Administration.

RELATING TO THE NATIONAL ARMED FORCES MUSEUM ADVISORY BOARD OF THE SMITHSONIAN

● Mr. GOLDWATER. Mr. President, today I am introducing legislation to repeal Public Law 87-186 which was enacted August 30, 1961 and established the National Armed Forces Museum Advisory Board in the Smithsonian Institution. The National Armed Forces Museum Advisory Board was directed to "provide advice and assistance to the regents (of the Smithsonian) * * * on matters concerned with the portrayal of the contributions which the Armed Forces of the United States have made to American society and culture." [Sec. 1(a)]

One of its primary functions was to advise and assist the regents "to investigate and survey lands and buildings in and near the District of Columbia suitable for the display of military collections." [Sec. 3(a)] To aid in its investigation and survey of lands and buildings, the advisory board established criteria for use in consideration of potential sites. After studying 15 such sites and embarking on several approaches to acquisition, the advisory board concluded that no completely adequate site was available for the major new museum contemplated by the act.

As an alternative, the National Armed Forces Museum Advisory Board requested the Smithsonian to pursue discussions with the National Park Service on prospects for developing a cooperative outdoor museum program at Fort Washington in Prince Georges County, MD. An agreement for this purpose was entered into on September 20, 1973. However, its implementation was not possible because of problems of public access to Fort Washington, its limited facilities, and the costs that would have been associated with such a venture.

A report of these activities was transmitted by the chairman of the National Armed Forces Museum Advisory Board to the Smithsonian's Board of Regents in December 1974. On January 24, 1975 the regents accepted the report and concurred in its finding. The report was submitted to the President of the Senate and Speaker of the House as required by section 3(a) of Public Law 87-186 on January 29, 1975.

There has been no further activity since that time and, inasmuch as a major new museum of military history in the Washington area is not feasible, it has been concluded that the Board established by Public Law 97-186 and that the other authority that law provides are not necessary.

The 1985 edition of the "Official Museum Directory," published by the American Association of Museums, lists 220 military museums, 102 maritime and naval museums and historic ships, and 38 aeronautics and space museums, all in the United States, that collect and exhibit aspects of military history. I ask unanimous consent that that list of those organizations be printed in the RECORD following my statement. Because of the museums that do exist and are related to military history, and because of the limits on its resources, the Smithsonian Institution has chosen to respond to public interest in the subject by treating it in the context of our historical, cultural, and technological development as a nation. At present the National Museum of American History has an active program of collecting and exhibiting material associated with the military history of the United States, and the collections of the National Air and Space Museum also include a number of significant objects in the area.

At its meeting on May 5, 1986 the board of regents of the Smithsonian Institution on which I serve voted to request its congressional members to introduce and support legislation to repeal Public Law 87-186. I am joined by my colleagues on the board, Senator GARN and Senator SASSER, in sponsoring legislation for that purpose, and understand that the administration has no objection to its enactment.

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

MILITARY MUSEUMS

Admiral Nimitz State Historical Park, Fredericksburg, TX. 78624
American Society of Military History, Los Angeles, CA. 90015
Amphibious Museum, Norfolk, VA. 23521
Ancient and Honorable Artillery Company, Boston, MA. 02109
Antietam National Battlefield-Visitor Center, Sharpsburg, MD. 21782
Battleship South Dakota Museum, Sioux Falls, SD. 57102
Bushy Run Battlefield, Jeannette, PA. 15644
Cairo Museum, Vicksburg, MS. 39180
Canaan Historical Society, Inc., Canaan, NY. 12029
Cantigny, Wheaton, IL. 60187
Casemate Museum, Fort Monroe, VA. 23651
Chalmette National Historical Park, Chalmette, LA. 70043
Chickamauga-Chattanooga National Military Park, Fort Oglethorpe, GA. 30742
Citadel Archives-Museum, Charleston, SC. 29409
Civil Engineer Corps/Seabee Museum, Port Hueneme, CA. 93043
The Coast Artillery Museum At Fort Worden, Port Townsend, WA. 98368
Colonial National Historical Park, Yorktown, VA. 23690
Columbus-Belmont Civil War Museum, Columbus, KY. 42032
The Company of Military Historians, Headquarters & Museum, Westbrook, CT. 06498
Confederate Museum, New Orleans, LA. 70130
Confederate Naval Museum, Columbus, GA. 31902
Confederate Research Center And Gun Museum, Hillsboro, TX. 76645
Cowpens National Battlefield, Chesnee, SC. 29323
Crown Point State Historic Site, Crown Point, NY. 12928
Detroit Historical Museum, Detroit, MI. 48202
Don F. Pratt Memorial Museum, Fort Campbell, KY. 42223
Eagle Historical Society, Eagle City, AK. 99738
El Paso Museum of History, El Paso, TX. 79927
F.E. Warren Military Museum, Cheyenne, WY. 82005
Florence Air and Missile Museum, Florence, SC. 29503
Fort Augusta, Sunbury, PA. 17801
Fort Belknap Museum And Archives, Inc., Newcastle, TX. 76372
Fort Bliss Replica Museum, Fort Bliss, TX. 79916
Fort Bowie National Historic Site, Bowie, AZ. 85605
Fort Bridger State Museum, Fort Bridger, WY. 82933
Fort Carson Museum of The Army In The West, Fort Carson, CO. 80913
Fort Casey Interpretive Center, Coupeville, WA. 98239
Fort Capar Museum, Casper, WY. 82601
Fort Columbia State Park, Chinook, WA. 98614
Fort Dalles Museum, The Dalles, OR. 97058
Fort Davis National Historic Site, Fort Davis, TX. 79734
Fort De Chartres State Historic Site, Prairie du Rocher, IL. 62277
Fort Delaware, Delaware City, DE. 19706
Fort Dodge Historical Museum, Fort Dodge, IA. 50501
Fort Donelson National Military Park, Dover, TN. 37058
Fort Douglas Military Museum, Fort Douglas, UT. 84113
Fort Fetterman State Museum, Douglas, WY. 82366
Fort Frederick State Park, Big Pool, MD. 21711
Fort George G. Meade Army Museum, Fort Meade, MD. 20755
Fort Gibson Military Park, Fort Gibson, OK. 74434
Fort Harker Museum, Kanopolis, KS. 67454
Fort Hartsuff State Historical Park, Burwell, NE. 68823
Fort Hays And Frontier Historical Park, Hays, KS. 67601
Fort Huachuca Museum, Fort Huachuca, AZ. 85613
Fort Jackson Museum, Fort Jackson, SC. 29207
Fort Kearny State Historical Park, Kearney, NE. 68847
Fort King George Historic Site, Darien, GA. 31305
Fort Knox State Memorial, Prospect, ME. 04981
Fort Laramie National Historic Site, Fort Laramie, WY. 82212
Fort Larned National Historic Site, Larned, KS. 67550
Fort Laurens State Memorial & Museum, Bolivar, OH. 44612
Fort Leavenworth Museum, Fort Leavenworth, KS. 66027
Fort Leonard Wood Museum, Fort Leonard Wood, MO. 65473
Fort Lewis Military Museum, Fort Lewis, WA. 98433
Fort Lowell Museum, Tucson, AZ. 85710
Fort Mcallister, Richmond Hill, GA. 31324
Fort McKavett State Historic Site, Ft. McKavett, TX. 76841

Fort Meigs State Memorial, Perrysburg, OH. 43551
Fort Morgan Museum, Gulf Shores, AL. 36542
Fort Ontario State Historic Site, Oswego, NY. 13126
Fort Ord And 7th Infantry Division Museum, Fort Ord. CA. 93941
Fort Osage Historic Site, Sibley, MO. 64088
Fort Pike State Commemorative Area, New Orleans, LA. 70129
Fort Pitt Museum, Pittsburgh, PA. 15222
Fort Point And Army Museum Association, San Francisco, CA. 94129
Fort Point National Historic Site, San Francisco, CA. 94129
Fort Polk Military Museum, Fort Polk, LA. 71459
Fort Pulaski National Monument, Tybee Island, GA. 31328
Fort Robinson Museum, Crawford, NE. 69339
Fort Sam Houston Museum, San Antonio, TX. 78234
Fort Savannah Museum, Lewisburg, WV. 24901
Fort Selden State Monument, Radium Springs, NM. 88054
Fort Simcoe Interpretive Center, White Swan, WA. 98952
Fort Spokane Visitor Center And Museum, Coulee Dam, WA. 99116
Fort Stanwix National Monument, Rome, NY. 13440
Fort Sumter National Monument, Sullivan's Island, SC. 29482
Fort Ticonderoga, Ticonderoga, NY. 12883
Fort Towson, Fort Towson, OK. 74735
Fort Union National Monument, Watrous, NM. 87753
Fort Verde State Historic Park, Camp Verde, AZ. 86322
Fort Ward Museum & Historic Site, Alexandria, VA. 22304
Fort Washington Park, Fort Washington, MD. 20744
Fort Washita, Durant, OK. 74701
Fort Wilkins Historic Complex, Copper Harbor, MI. 49918
Fredericksburg & Spotsylvania National Military Park, Fredericksburg, VA. 22405
Fort Sheridan Museum, Fort Sheridan, IL. 60037
General Douglas Macarthur Memorial, Norfolk, VA. 23510
General George Crook House, Omaha, NE. 68111
General Grant National Memorial, New York, NY. 10031
General Jacob Brown Historical Society, Brownville, NY. 13615
Georgia Veterans Memorial Museum, Cordele, GA. 31015
Grand Army of The Republic Memorial & Veteran's Military Museum, Auror, IL 60505
Grand Army of The Republic Memorial Hall Museum, Madison, WI. 53702
Grand Gulf Military State Park Museum, Port Gibson, MS. 39150
Guilford Courthouse National Military Park, Greensboro, NC. 27410
Harbor Defense Museum of New York City, Brooklyn, NY. 11252
Higgins Armory Museum, Worcester, MA. 01606
Historic Fort Wayne, Detroit, MI. 48209
Historic Fort Wayne, Inc., Fort Wayne, IN. 46802
Historical Museum At Fort Missoula, Missoula, MT. 59801
History And Traditions Museum, Lackland Air Force Base, TX. 78236
History Center And Museum, Westfield, NY. 14787
Homeville Museum, Homer, NY. 13077
Horseshoe Bend National Military Park, Daviston, AL. 36256
Independence National Historical Park, Philadelphia, PA. 19106
Indiana War Memorials Commission, Indianapolis, IN. 46204
Intrepid Sea-Air-Space Museum, New York, NY. 10036
JFK Special Warfare Museum, Fort Bragg, NC. 28307
John M. Browning, Memorial, Rock Island, IL. 61299
Johnson County, Jim Gatchell Memorial Museum, Buffalo, WY. 82834
Kennesaw Mountain National Battlefield Park, Marietta, GA. 30060
Kentucky Military History Museum, Frankfort, KY. 40602
Kings Mountain National Military Park, Blacksburg, SC. 29702
The Liberty Memorial Museum, Kansas City, MO. 64108
Lighthouse Military Museum, Key West, FL. 33040
Lone Jack Civil War Battlefield Museum, Lone Jack, MO. 64070
Mackinac Island State Park Commission, Mackinac Island, MI. 49757
Manassas National Battlefield Park, Manassas, VA. 22110
McCoy House, Lewistown, PA. 17044
Mennonite Heritage Complex Museum, Goessel, KS. 67053
Meriden Historical Society, Inc., Meriden, CT. 06450
Milford Museum, Milford, DE. 19963
Military Medal Museum & Research Center, San Jose, CA. 95110
Military Police Corps Regimental Museum, Fort McClellan, AL. 36205
Mississippi County Historical Society, Charleston, MO 63834
Mississippi Military Museum, Jackson, MS. 39201
Moores Creek National Battlefield, Currie, NC. 28435
Museum of Military And Naval History, San Juan, PR. 00905
Museum of The Confederacy, Richmond, VA. 23219
National Atomic Museum, Albuquerque, NM. 87115
National Infantry Museum, Fort Benning, GA. 31905
Naval Aviation Museum, Pensacola, FL. 32508
Naval War College Museum, Newport, RI. 02840
Navy Supply Corps Museum, Athens, GA. 30606
New Market Battlefield Park, New Market, VA. 22844
New Windsor Cantonment State Historic Site, Vails Gate, NY. 12584
Newport Artillery Company Museum, Newport, RI. 02840
Old Barracks Museum, Trenton, NJ. 08608
Old Fort Garland, Fort Garland, CO. 81133
Old Fort Jackson, Savannah, GA. 31404
Old Fort Meade Museum And Historic Research Association, Sturgis, SD. 57785
Old Fort Museum, Fort Smith, AR. 72901
Old Fort Niagara Association, Inc., Youngstown, NY. 14174
Old Stone House Museum, Windsor, NY. 13865
Olustee Battlefield State Historic Site, Olustee, FL. 32643
Pacific Submarine Museum, Pearl Harbor, HI. 96860
Parks, Recreation & Historic Sites Div. Georgia Dept. of Natural Resources, Atlanta, GA. 30334
Patton Museum of Cavalry And Armor, Fort Knox, KY. 40121
Pea Ridge National Military Park, Pea Ridge, AR. 72751
Pennsylvania Military Museum, 28th Division Shrine, Boalsburg, PA. 16827
Perryville Battlefield Museum, Perryville, KY. 40468
Petersburg National Battlefield, Petersburg, VA. 23804
Phillips County Museum, Helena, AR. 72342
Polish Museum of America, Chicago, IL. 60622
Portsmouth Naval Museum, Portsmouth, VA. 23705
Powder Magazine, Charleston, SC. 29401
Presidio Army Museum, San Francisco, CA. 94129
Richmond National Battlefield Park, Richmond, VA. 23223
Rockford Museum Center And Midway Village, Rockford, IL. 61107
Rough Riders Memorial And City Museum, Las Vegas, NM. 87701
Sackets Harbor Battlefield State Historic Site, Sackets Harbor, NY. 13685
Saratoga National Historical Park, Stillwater, NY. 12170
Shiloh National Military Park And Cemetery, Shiloh, TN. 38376
Siege Museum, Petersburg, VA. 23803
Soldiers' Memorial Military Museum, St. Louis, MO. 63103
Stones River National Battlefield, Murfreesboro, TN. 37130
Stony Point Battlefield State Historic Site, Stony Point, NY. 10980
Strategic Air Command Museum, Bellevue, NE. 68005
Sunbury Historic Site, Midway, GA. 31320
Texas Ranger Hall of Fame And Museum, Waco, TX. 76703
Treasure Island Museum, San Francisco, CA. 94130
Tri-State University, General Lewis B. Hershey Museum, Angola, IN. 46703
United States Air Force Museum, Wright-Patterson AFB, OH. 45433
United States Army Engineer Museum, Fort Belvoir, VA. 22060
United States Army Military History Institute, Carlisle Barracks, PA. 17013
The United States Army Quartermaster Corps Museum, Fort Lee VA. 23801
United States Marine Corps Aviation Museum, Quantico, VA. 22134
United States Marine Corps Museum, Washington, DC. 20374
United States Navy Memorial Museum, Washington, DC. 20374
U.S. Air Force Academy Visitor Center, USAF Academy, CO. 80840
U.S. Army Air Defense Artillery Museum, Fort Bliss TX. 79916
U.S. Army Aviation Museum, Fort Rucker, AL. 36362
U.S. Army Chaplain Museum, Fort Monmouth, NJ. 07703
U.S. Army Communications-Electronics Museum, Fort Monmouth, NJ. 07703
U.S. Army Field Artillery and Fort Sill Museum, Fort Sill, OK. 73503
U.S. Army Finance Corps Museum, Indianapolis, IN. 46249
U.S. Army Museum of Hawaii, Fort DeRussy, HI. 96830
U.S. Army Museum, Presidio of Monterey, Presidio of Monterey, CA. 93944
U.S. Army Ordnance Museum, Aberdeen Proving Ground, MD. 21005
U.S. Army Transportation Museum. Fort Eustis, VA. 23604

U.S. Cavalry Museum, Fort Riley, KS. 66442
USS Alabama Battleship Memorial Park, Mobile. AL. 36601
USS Arizona Memorial, Honolulu, HI. 96818
USS Constitution Museum Foundation, Inc. Boston, MA. 02129
USS North Carolina Battleship Memorial, Wilmington, NC. 28401
Victory Aircraft Museum, Mundelein IL. 60060
VMI Museum, Lexington, VA. 24450
War In The Pacific National Historical Park, Assn, GU. 96910
War Library And Museum of The Military Order of The Loyal Legion of The United States, Philadelphia, PA. 19103
The War Memorial Museum of Virginia, Newport News, VA. 23607
Warren Rifles Confederate Museum, Front Royal, VA. 22630
Washington's Headquarters State Historic Site., Newburgh, NY. 12550
Waterloo Memorial Day Museum, Waterloo, NY. 13165
West Point Museum, West Point, NY. 10996
Wilson's Creek National Battlefield, Republic, MO. 65738
Wisconsin Veterans Museum, King, WI. 54946
Women's Army Corps Museum, Fort McClellan, AL. 36205
Yorktown Visitor Center, Yorktown, VA. 23690
1st Cavalry Museum, Killeen, TX. 76545
103rd Ohio Volunteer Infantry Memorial Foundation, Shefield Lake, OH. 44054
2d Armored Division Museum, Fort Hood, TX. 76546
24th Infantry Division And Fort Stewart Museum, Fort Stewart, GA. 31314
3rd Cavalry Museum, Fort Bliss, TX. 79916
45th Infantry Division Museum, Oklahoma City, OK. 73111
82nd Airborne Division War Memorial Museum, Fort Bragg, NC. 28307

MARITIME AND NAVAL MUSEUM AND HISTORIC SHIPS

The Adler Planetarium, Chicago, IL. 60605
Admiral Nimitz State Historical Park, Fredericksburg, TX. 78624
Allen Knight Maritime Museum, Monterey, CA. 93940
Allie Ryan Maritime Collection of The Maine State Museum, Castine, ME. 04421
Apostle Islands National Lakeshore, Bayfield, WI. 54814
Battleship Massachusetts, Fall River, MA. 02721
Battleship Texas State Historical Park, La Porte, TX. 77571
Beverly Historical Society And Museum, Beverly, MA. 01915
Bowers Beach Maritime Museum Inc., Frederica, DE. 19946
Cairo Museum, Vicksburg, MS. 39180
Calvert Marine Museum, Solomons, MD. 20688
Canal Fulton Heritage Society, Canal Fulton, OH. 44614
Canal Museum And Hugh Moore Park, Easton, PA. 18042
Capt. Charles H. Hurley Library, Buzzards Bay, MA. 02532
Charles Towne Landing-1670, Charleston, SC. 29407
Chesapeake Bay Maritime Museum, St. Michaels, MD. 21663
Cigna Museum And Art Collection, Philadelphia, PA. 19103
City Island Historical Nautical Museum, Bronx, NY. 10464
Clark County Historical Society Howard Steamboat Museum, Inc., Jeffersonville, IN. 47130
Cohasset Maritime Museum, Cohasset, MA. 02025
Columbia River Maritime Museum, Astoria, OR. 97103
Confederate Naval Museum, Columbus, GA. 31902
The Connecticut River Foundation At Steamboat Dock, Inc., Essex, CT. 06426
Cumberland County Historical Society, Greenwich, NJ. 08323
The Custom House Maritime Museum of Newburyport, Newburyport, MA. 01950
Detroit Historical Museum, Detroit, MI. 48202
Door County Maritime Museum, Gills Rock, WI. 54210
Dossin Great Lake Museum, Detroit, MI. 48207
East Hampton Town Marine Museum, Amagansett, NY. 11930
Erie Canal Museum, Syracuse, NY. 13202
Essex Shipbuilding Museum, Essex, MA. 01929
Evanston Environmental Association, Evanston IL. 60201
Flagship Niagara, Erie, PA. 16507
Fort Morgan Museum, Gulf Shores, AL. 36542
Francis Russell Hart Nautical Museum, Cambridge, MA. 02139
Franklin D. Roosevelt Library And Museum, Hyde Park, NY. 12538
Fred W. Woodward Riverboat Museum, Dubuque, IA. 52001
Grand Banks Schooner Museum, Boothbay, ME. 04537
Great Lakes Historical Society Museum, Vermilion, OH. 44089
Great Lakes Naval & Maritime Museum, Chicago, IL. 60611
Hampton Roads Naval Museum, Norfolk, VA. 23511
Historic Annapolis, Inc., Annapolis, MD. 21401
Historic Gardner's Basin, Atlantic City, NJ. 08401
Historical Society of Greater Port Jefferson, Port Jefferson, NY. 11777
Interpid Sea-Air-Space Museum, New York, NY. 10036
Islesford Historical Museum, Bar Harbor, ME. 04646
Kendall Whaling Museum, Sharon, MA. 02067
Keokuk River Museum, Keokuk, IA. 52632
Lake Michigan Maritime Museum, South Haven, MI. 49090
Lewes Historical Society, Lewes, DE. 19958
Mackinac Island State Park Commission, Mackinac Island, MI. 49757
Maine Maritime Museum, Bath, ME. 04530
Manitowoc Maritime Museum, Manitowoc, WI. 54220
Marine Museum At Fall River, Inc., Fall River, MA. 02722
The Mariners Museum, Newport News, VA. 23606
Museum of Military And Naval History, San Juan, PR. 00905
Museum of Missouri River History, Brownville, NE. 68321
Muskogee War Memorial Park, Muskogee, OK. 74402
Mystic Seaport Museum, Inc., Mystic, CT. 06355
National Maritime Museum, San Francisco, San Francisco, CA. 94109
Naval Shipyard Museum, Bremerton, WA. 98310
Naval War College Museum, Newport, RI. 02840
Navy Supply Corps Museum, Athens, GA. 30606
North Carolina Maritime Museum, Beaufort, NC. 28516
Ohio River Museum, Marietta, OH. 45750
Old Fort Jackson, Savannah, GA. 31404
Old Lighthouse Museum, Michigan City, IN. 46360
Old State House-The Bostonian Society, Boston, MA. 02109
Patriots Point Naval And Maritime Museum, Mt. Pleasant, SC. 29464
Peabody Museum of Salem, Salem, MA. 01970
Penobscot Marine Museum, Searsport, ME. 04974
Philadelphia Maritime Museum, Philadelphia, PA. 19106
Portsmouth Lightship Museum, Portsmouth, VA. 23704
Portsmouth Naval Museum, Portsmouth, VA. 23705
The P.T. Boat Museum, Fall River, MA. 02720
Queen Mary Shipwalk, Long Beach, CA. 90801
Sailor's Museum, Islesboro, ME. 04848
Salem Maritime National Historic Site, Salem, MA. 01970
San Diego Maritime Museum, San Diego, CA 92101
Sandy Hook Museum, Highlands, NJ. 07732
Seamen's Church Institute of N.Y. & N.J., New York, NY. 10004
Shelburne Museum, Inc., Shelburne, VT. 05482
Ships of The Sea Maritime Museum, Savannah, GA. 31401
Shore Village Museum, Rockland, ME. 04841
Sleeping Bear Dunes National Lakeshore, Frankfort, MI. 49635
The South Street Seaport Museum, New York, NY. 10038
S/S Clipper, Chicago, IL. 60611
S.S. Meteror Maritime Museum, Superior, WI. 54880
Steamship Historical Society Collection At The University of Baltimore Library Baltimore, MD. 21201
Sturgeon Bay Marine Museum, Sturgeon Bay, WI. 54235
Submarine Force Library & Museum, Groton, CT. 06349
Suffolk Marine Museum, West Sayville, NY. 11796
Sunken Treasures Maritime Museum, Port Washington, WI. 53074
Thousand Islands Shipyard Museum, Clayton, NY. 13624
United States Naval Academy Museum, Annapolis, MD. 21402
United States Navy Memorial Museum, Washington, DC. 20374
U.S. Coast Guard Museum, New London, CT. 06320
USS Alabama Battleship Memorial Park, Mobile, AL 36601
USS Constitution, Boston, MA. 02129
USS Constitution Museum Foundation, Inc. Boston, MA. 02129
USS North Carolina Battleship Memorial, Wilmington, NC. 28401

AERONAUTICS AND SPACE MUSEUMS

The Adler Planetarium, Chicago, IL. 60605
Airpower Museum Inc., Blakesburg, IA. 52336

Alabama Space And Rocket Center, Huntsville, AL. 35807
Chesapeake Planetarium, Chesapeake, VA. 23320
Colorado Aviation Historical Society, Aurora, CO. 80012
Confederate Air Force, Harlingen, TX. 78550
Eaa Aviation Foundation, Inc., Oshkosh, WI. 54901
Fleischmann Planetarium, Reno, NV. 89557
Florence Air and Missile Museum, Florence, SC. 29503
Glenn H. Curtiss Museum of Local History, Hammondsport, NY. 14840
Hangar 9/Edward H. White II. Memorial Museum, Brooks Air Force Base, TX. 78235
Hansen Planetarium, Salt Lake City, UT. 84111
History and Traditions Museum, Lackland Air Force Base, TX. 78236
Institute of Meteoritics Meteorite Museum, Albuquerque, NM. 87131
Kansas Cosmosphere and Discovery Center, Hutchinson, KS. 67501
Museum of Astrogeology, Meteor Crater, Flagstaff, AZ. 86001
Museum of Flight Foundation, Seattle, WA. 98108
Museum of History and Science, Louisville, KY. 40202
The Nasa Langley Visitor Center, Hampton, VA. 23665
Nasa Lewis Research Center Visitor Information Center, Cleveland, OH. 44135
Nasa Lyndon B. Johnson Space Center, Houston, TX. 77058
National Air and Space Museum, Washington, DC. 20560
National Soaring Museum, Elmira, NY. 14903
Neil Armstrong Air & Space Museum, Wapakoneta, OH. 45895
New England Air Museum of The Connecticut Aeronautical Historical Association, Inc., Windsor Locks, CT. 06096
New York Hall of Science, Corona, NY. 11368
North Carolina Museum of Life and Science, Durham, NC. 27704
Pima Air Museum, Tucson, AZ. 85706
Republic Airlines Museum, Minneapolis, MN. 55450
San Diego Aero-Space Museum, Inc., San Diego, CA. 92101
Southwest Aerospace Museum, Fort Worth, TX. 76108
Spruce Goose-Howard Hughes Flying Boat, Long Beach, CA. 90801
United States Air Force Museum, Wright-Patterson AFB, OH. 45433
United State Marine Corps Aviation Museum, Quantico, VA. 22134
Victory Aircraft Museum, Mundelein, IL. 60060
Virgil I. Grissom State Memorial, Mitchell, IN. 47446
W. A. Gayle Planetarium, Montgomery, AL. 36106
Wright Brothers National Memorial, Kill Devil Hills, NC. 27948●

By Mr. ROTH:

S. 2449, a bill to amend the Tariff Act of 1930 to eliminate the requirement of injury to a United States industry in certain section 337 cases; to the Committee on Finance.

INTELLECTUAL PROPERTY PROTECTION

● Mr. ROTH. Mr. President, in light of this afternoon's hearing of the Finance Committee on intellectual property protection, I rise to introduce legislation drafted by the administration to amend section 337 of the trade laws, the principal statutory weapon against imports that violate U.S. intellectual property rights. These section 337 amendments are one part of the administration's initiative on intellectual property, the part that falls under Finance Committee jurisdiction.

The administration proposals on section 337 are similar to those introduced by Senator LAUTENBERG and myself last September which were later incorporated into S. 1860, the omnibus Senate trade bill, as S. 1869. Both S. 1869 and the legislation I am introducing today make it easier for owners of intellectual property rights to exclude from the American market products that infringe their intellectual property rights, by eliminating most of the elements of proof in an intellectual property case other than the infringement itself.

On what I see as the most critical issue here—the injury issue—both bills take the same stance. They eliminate the current requirement that the petitioner demonstrate injury. If the petitioner can demonstrate that an import infringes valid intellectual property rights then injury will be deemed to exist.

On other issues the two bills differ in some respects, for example, on the need to establish the existence of a domestic industry, on the application of section 337 changes to grey market imports and on the types of property rights that would be subject to the simplified section 337 process. By introducing the administration's language today, I hope to facilitate full public debate on these differences. We should then be able to arrive at fair solutions in this very technical area, as the legislation works its way through the congressional process.

Since Senator LAUTENBERG and I introduced our legislation, broad support has emerged for changes in section 337 in the Congress, in the business community, and in the labor unions. I am delighted that the administration also sees the protection of intellectual property as a priority trade issue.

America's inventiveness is our competitive edge. We must not let our greatest asset be destroyed by violators of our intellectual property rights. Talented people must be assured that the law will not tolerate theft of their ideas.●

By Mr. HEINZ (for himself, Mr. CHILES, Mr. ABDNOR, Mrs. HAWKINS, Mr. RIEGLE, Mr. ANDREWS, Mr. D'AMATO, Mr. DENTON, Mr. DOLE, Mr. DOMENICI, Mr. MOYNIHAN, Mr. LUGAR, Mr. CRANSTON, Mr. KASTEN, Mr. BYRD, Mr. ROTH, and Mr. GLENN):

S. 2450. A bill to amend title II of the Social Security Act to remove permanently the 3 percent threshold requirement for cost-of-living increases; to the Committee on Finance.

COST-OF-LIVING ADJUSTMENT REFORM ACT

Mr. HEINZ. Mr. President, I rise to introduce a bill with several of my colleagues, a bill which will abolish the outmoded Social Security trigger mechanism. Passage of the legislation will eliminate a costly, inadequate feature of the current law. It will improve the financial health of Social Security, and it will insure that the Social Security benefits are protected from inflation every year that inflation exists, thereby safeguarding the promise we have made to the beneficiaries over the years.

This is a bill that also follows through on the commitment made in the budget resolution to pay a COLA in fiscal year 1987. I am pleased to say I am joined in this proposal by my colleagues Senators CHILES, ABDNOR, HAWKINS, RIEGLE, ANDREWS, D'AMATO, DENTON, DOLE, DOMENICI, BYRD, MOYNIHAN, LUGAR, KASTEN, and CRANSTON. I would particularly point out, of course, that Senator DOMENICI is the chairman of the Budget Committee and Senator CHILES is his ranking member. I am pleased that both of them, with their budgetary responsibilities, feel that this is not only a necessary but a good amendment.

I am pleased that the majority leader, Senator DOLE, is a cosponsor of this amendment, and I am particularly pleased that somebody with whom I have worked for a very long time on issues involving Social Security, namely Senator MOYNIHAN, together with Senator DOLE and myself, who was a member of the National Commission on Social Security Reform, is among those who are cosponsoring this legislation.

Let me say, Mr. President, that the COLA trigger is really an outdated, technical provision of the law that only temporarily postpones the payment of COLA when inflation falls below the entirely arbitrary level of 3 years.

On its surface, the so-called COLA trigger I am sure sounds to a lot of people like some kind of cost-saving measure. Most of us would assume quite naturally enough that postponing a cost-of-living increase, even for 1 year, would produce some kind of substantial savings.

But quite to the contrary, and in this instance, that assumption is dead wrong. Postponing a cost-of-living increase for Social Security benefits through the so-called 3 percent trigger mechanism will actually create a long-term loss for Social Security. It will increase the budget deficit. It will increase the national debt. Indeed, it

will probably increase the deficit over the next few years.

Let me explain, Mr. President, how that increased cost comes about.

Any time that the cost-of-living increase is not paid in a given year, it is deferred and added to the next year's cost-of-living increase, so that benefits catch up in the second year. This means, for example, that 2 straight years of, say, 2-percent inflation will produce no cost-of-living increase after the first year, but a 4-percent COLA after the second year.

That feature creates no problem as far as today's retirees are concerned. But it creates a windfall for those who retire during the second year of the 2-percent inflation under my example. Under the COLA trigger, the way it is written, these retirees, the ones who retire in the second year, are going to receive a full 4-percent COLA the very first year of their retirement instead of the 2 percent that they would otherwise and more properly receive.

In effect, the COLA trigger compensates this group for inflation that occurs prior to retirement. That windfall then becomes a part of all their succeeding benefits, all the other COLA increases for all the future years being figured on that increased base.

This outweighs the one-time savings of the postponed cost-of-living increase and substantially adds to the long-term cost of Social Security.

The costs of the COLA trigger do not end with that benefit windfall, either. Social Security will also lose money on the revenue side because the trigger, as it is written, postpones the automatic increase in the taxable wage base which rises each year at the same rate as the average annual wage base, and, of course, that wage base is the base off of which Social Security taxes are levied. So the loss of revenue just from that provision alone, were we not to repeal the Social Security COLA trigger, would amount to $1.5 billion just for fiscal 1987 by itself.

Another source of loss to the system results from the COLA trigger's cancellation of scheduled increases in the premium paid by Medicare part B beneficiaries. The loss of premium income will increase the Federal share of Medicare costs by an additional $1.7 billion in fiscal year 1987.

Of course, the way that works is that any time there is no cost-of-living increase granted to Social Security beneficiaries, the scheduled increase in the premium that Medicare beneficiaries pay under part B, the Supplemental Medical Insurance Program, is, by law, frozen, frozen by other law, so any increase in the 25-percent share of the senior citizens' contributions to that program would be canceled, would be deferred, and we would lose a considerable amount of money as a result.

So if we total the various short-term costs and savings involved, what we find is that the net effect of the COLA trigger, while it varies with the level of inflation as measured, say, from the third quarter of 1985 to the third quarter of 1986—and it also varies with the corresponding COLA in 1986—what we find, if we look at those relationships, is in the very short term the trigger, if we do not repeal it, will cost money at almost any inflation rate under 2 percent.

If inflation gets down below 1 percent, for example, the trigger will cost at least $1.7 billion net over the next 5 years.

We should note, I think, that the most recent forecast predicts an inflation rate of between 1 and 2 percent, which means that the trigger will almost certainly end up costing money in the short term. I call that, Mr. President, shooting the budget in the foot, if we allow the COLA trigger to stay on the books, to go into effect, and if we do not repeal it.

Mr. President, I have been talking about the short-term cost effects of the near-term budget consequences of the COLA trigger, but the record would be incomplete unless we also noted that even if inflation is over 2 percent, the small short-term savings provided by the trigger—and there are some small short-term savings of between 2 and 3 percent—are more than outweighed by its losses over the long run, which result primarily from the effect of the windfall COLA. In the long run, the net loss to the trust funds because of the trigger will average .02 percent of taxable payroll each year over the next 75 years.

You have to remember the taxable wage base of Social Security is a vast amount, in the hundreds of billions of dollars. What that amounts to in today's dollars is $364 million lost each and every year out as far as the eye can see—in this case, some 75 years, according to the Social Security actuaries.

Let me say a word about where this information comes from. This is not information that I have individually developed, it is not information my staff have themselves developed. The details of the cost of the COLA trigger that I have cited are contained in two reports issued by the Office of the Actuary of the Social Security Administration. They are the authorities on the costs of the Social Security system. These two reports—one is dated August 30, 1985, the other is dated April 10, 1985. So that anybody who doubts these figures, either their authenticity or their accuracy, may be reassured, I ask unanimous consent that the text of those reports be printed in the RECORD at the conclusion of my remarks, together with a table I have prepared that summarizes the short-term costs of the trigger drawing on those reports in largest part.

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

Mr. HEINZ. Mr. President, as I was saying a moment ago, an average loss of $364 million annually may not seem like a very big loss in the context of a $200 billion program, but it certainly rebuts the notion that the COLA trigger on the books is a cost saver, as some in the news media seem to have concluded over the last several weeks and months. It might also lead us to question why this complicated and costly provision was ever included in the Social Security Act in the first place. The answer is fairly simple. The COLA trigger was created in 1972, back when the automatic indexing of benefits began. In those days, the Social Security Administration had to go to great lengths to compute and pay annual COLA's for each beneficiary. Social Security's computer capabilities have greatly improved since then however, and the extra cost of computing COLA's has fallen dramatically. That was before the computer age. With the change of those circumstances, therefore, since 1972, the COLA trigger has become nothing more than an expensive relic.

Some of my colleagues may recall, Mr. President, that we faced a similar problem at the end of 1984 regarding whether or not we were going to pay a Social Security cost-of-living increase. In 1984, we enacted legislation to correct that problem, but that legislation, which passed by a margin of some 87 to 3, was enacted for just 1 year only. We waived the 3 percent threshold only to guarantee that the 1985 COLA would be paid. The same problem arose last year and was avoided when inflation nudged over 3 percent at the end of the year. We have now had ample time to examine the COLA trigger and I think it is clear that this nuisance should be eliminated permanently.

Mr. President, eliminating the COLA trigger makes sense for reasons other than purely economic. This Nation has made a promise to its retirees that their Social Security benefits will not be eroded by inflation. Setting a 3 percent threshold on this promise makes no real sense. Postponing the promise makes no sense either. Inflation at any level hurts those on fixed incomes, especially the poor, and we fool only ourselves if we set arbitrary levels below which inflation is presumed to be painless.

This administration's success in bringing inflation under control is a great achievement. For 3 years now, young and old alike have enjoyed the lowest inflation rates in many years. The front page news in recent weeks tells us that we can expect continued low inflation. It is my firm hope and

intention that these low rates will become permanent. At the same time, however, we should ensure that America's victory over inflation doesn't backfire on our older citizens because of some legislative relic that has outlived its usefulness. This body recognized this on May 2, when we passed a budget calling for payment of a 2-percent COLA. Now it is time to follow up on that commitment. I believe it is important that we pass this legislation as soon as possible in order to quickly assure America's elderly that they will be protected from inflation at any level, whether it is 1, 3, 5 percent or more. For this reason, I urge my colleagues to join me in permanently eliminating the 3-percent COLA trigger in Social Security.

Mr. President, I ask unanimous consent that the text of the bill be printed at the conclusion of my remarks, together with the two reports from the Social Security actuaries and the table summarizing the costs of the trigger.

There being no objection, the materials and the text of the bill were ordered to be printed in the RECORD, as follows:

S. 2450

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 "Cost-of-Living-Adjustment-Reform Act of 1986".

SEC. 2. REMOVAL OF THREE PERCENT THRESHOLD FOR COST-OF-LIVING ADJUSTMENTS.

(a) IN GENERAL.—

(1) Section 215(i) of the Social Security Act is amended by striking out "is 3 percent or more" in paragraph (1)(B) and inserting in lieu thereof "is greater than zero".

(2) Section 215(i)(1)(B) of such Act, as in effect in December 1978 and applied in certain cases under the provisions of such Act as in effect after December 1978, is amended by striking out "exceeds by not less than 3 per centum, such Index" and inserting in lieu thereof "exceeds such Index".

(3) Section 215(i)(2)(C) of such Act is amended—

(A) by striking out clause (i) and redesignating clauses (ii) and (iii) as clauses (i) and (ii), respectively; and

(B) by striking out "under clause (ii)" in clause (ii) as so redesignated and inserting in lieu thereof "under clause (i)".

(4) Section 215(i)(2)(C) of such Act, as in effect in December 1978 and applied in certain cases under the provisions of such Act as in effect after December 1978, is amended by striking out clause (i) and by striking out "(ii)".

(5) Section 215(i)(4) of such Act is amended by inserting "and by the Cost-of-Living Adjustment Reform Act of 1986" after "Social Security Amendments of 1983".

(6) Section 215(i)(5)(A)(i) of such Act is amended by striking out "because the wage percentage increase was less than 3 percent" and inserting in lieu thereof "because there was no wage percentage increase greater than zero".

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to base quarters (as defined in section 215(i)(1)(A) of the Social Security Act) ending on or after September 30, 1986.

DEPARTMENT OF HEALTH AND HUMAN SERVICES, SOCIAL SECURITY ADMINISTRATION,

Baltimore, MD, August 30, 1985.

Hon. BOB PACKWOOD,

Chairman, Committee on Finance, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: Enclosed is a report required by Section 2 of Public Law 98-604. That law requires the Office of the Actuary, Social Security Administration, to "conduct a study of improvements which might be made in the application and operation of the cost-of-living adjustment [COLA] provisions in section 215(i) of the Social Security Act . . ." and to submit a full and complete report of the study to your Committee and to the Committee on Ways and Means of the House of Representatives, by September 1, 1985.

In accordance with P.L. 98-604, the study included the following specific areas: (1) the long-term effects of eliminating the "trigger" provision, which requires that the cost of living have increased by at least 3 percent before a COLA can occur, (2) the long-term effects of reducing the trigger percentage from 3 percent to 1 percent, (3) the assumed distribution of future annual changes in the Consumer Price Index (CPI), and (4) an analysis of the periods currently used to measure CPI and wage increases and the long-term effects of changing such periods so as to make the COLA noncumulative for persons who become eligible for benefits in the year following a forgone COLA, or to use different calendar quarters.

Sincerely,

HARRY C. BALLANTYNE,
Chief Actuary.

STUDY OF THE OASDI AUTOMATIC COST-OF-LIVING-ADJUSTMENT PROVISIONS

INTRODUCTION

I. COLA's and related provisions under present law:

A. Current operation of the COLA.

B. COLA trigger:

1. Direct effect on benefit levels.

2. Effect on earnings base.

3. Effect on retirement earnings test exempt amounts.

4. Net effect on the OASDI program.

II. Possible changes to the trigger provision:

A. Assumed distribution of future annual increases in the CPI.

B. Effect of eliminating trigger.

C. Effect of changing the trigger percentage to 1 percent.

D. Effect of eliminating accumulation of CPI increases for newly eligible beneficiaries.

III. Measurement of the increase percentages:

A. Consumer price index.

B. Average wage index.

C. COLA stabilizer implications.

Appendix A. Copy of Public Law 98-604, Section 2.

Appendix B. Assumed Distribution of Future Annual Increases in the CPI-W.

Appendix C. Alternative Wage Indices for the COLA Stabilizer Provision.

INTRODUCTION

This report has been prepared as required by section 2 of Public Law 98-604, enacted into law on October 30, 1984.[1] That law requires the Office of the Actuary, Social Security Administration, to "conduct a study of improvements which might be made in the application and operation of the cost-of-living adjustment [COLA] provisions in section 215(i) of the Social Security Act . . ." and to submit a full and complete report of the study to the Committee on Ways and Means of the House of Representatives and to the Committee on Finance of the Senate, by September 1, 1985. In accordance with P.L. 98-604, the study included the following specific areas: (1) the long-term effects of eliminating the "trigger" provision, which requires that the cost of living have increased by at least 3 percent before a COLA can occur, (2) the long-term effects of reducing the trigger percentage from 3 percent to 1 percent, (3) the assumed distribution of future annual changes in the Consumer Price Index (CPI), and (4) an analysis of the periods currently used to measure CPI and wage increases and the long-term effects of changing such periods so as to make the COLA noncumulative for persons who become eligible for benefits in the year following a foregone COLA, or use different calendar quarters.

Section I of this study includes a description of the current COLA provisions. Sections II and III include analyses of possible changes in the COLA trigger and the measurement of the increase percentage for the COLA, respectively. Appendix B describes in detail the method used for projecting the distribution of future annual increases in the CPI. Appendix C describes in detail the relative merits of various average-wage indices in the context of the COLA "stabilizer" provision.

I. COLA's and related provisions under present law

A. Current Operation of the COLA

The Social Security Act provides for updating, based on the increase in average wages, the "bend points" of the formula used to determine primary insurance amounts (PIAs), as of each January for persons becoming newly eligible during the calendar year. Adjustments for increases in the cost of living after initial eligibility are provided through automatic COLAs, based on the increase in the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W-hereafter referred to as CPI).[2] Whenever the CPI rises by 3 percent or more[3] between specified base periods—currently, the third quarter of the prior year through the third quarter of the current year—a COLA is provided. If the CPI rises by less than 3 percent (or declines) during the period, a COLA is not provided. In the following year, however, the COLA will be based on the accumulated increase in the CPI over 2 years.

The original COLA provisions, enacted into law in 1972, provided for regular automatic COLAs effective for January of each year, beginning with 1975. This automatic procedure was modified in 1973, before it

[1] See Appendix A for the text of section 2.

[2] Under the "stabilizer" provision, the COLA may be based on the increase in average wages, under certain circumstances. However, based on the intermediate (alternative II-B) assumptions of the 1985 OASDI Trustees Report, the stabilizer provision is not expected to be effective until the middle of the next century at the earliest; therefore, this study assumes that COLAs will be based on the CPI only, except when discussing the stabilizer provision.

[3] Because increases are rounded to the nearest one-tenth of 1 percent, an unrounded increase as low as 2.95 percent is sufficient to trigger an automatic COLA.

became effective, to provide COLAs for June of each year, beginning with 1975. In 1976 and later, the June COLAs were based on the change in the CPI from the first quarter of the prior year through the first quarter of the year in which the COLA was effective. This procedure was unchanged until the 1983 amendments delayed both the effective date (from June to December, beginning with the 1983 COLA) and the measuring period (from the first quarter to the third quarter, beginning with the 1984 COLA).

The 1983 amendments also contained a provision to limit future COLAs to the lesser of the increases in the CPI and average wages, if the trust fund ratio—i.e., the level of assets in the OASDI trust funds, as a percentage of annual outgo—is below 15.0 percent, for 1984-88, or below 20.0 percent, for 1989 and later. The law also provides for "catch-up" benefit increases in subsequent years when the trust fund ratio exceeds 32.0 percent. Such catch-up increases would raise the benefit levels of persons whose COLAs had been previously limited under the stabilizer provision to approximately the level at which they would have been without the stabilizer. On the basis of the intermediate (alternative II-B) assumptions of the 1985 OASDI Trustees Report, the trust fund ratio is expected to exceed the applicable threshold level until the middle of the next century; therefore, the stabilizer provision is not expected to be effective before then, at the earliest.

B. COLA Trigger

The requirement that the cost-of-living increase be at least 3 percent before a COLA can be provided is generally known as the COLA trigger. A trigger was included in the law not only to restrain costs, but also to avoid the administrative complexities associated with processing benefit increases of small magnitude. When the original COLA provisions were enacted into law in 1972, the Office of the Actuary was assuming that future inflation would average 2.75 percent annually. The 3-percent trigger level was selected so that automatic COLAs would be provided only if inflation exceeded that average rate. In the mid-1970s, however, the rate of inflation began to rise rapidly, and CPI increases have exceeded the 3-percent trigger in every year since the COLA provisions became effective, in 1975.

In 1984, however, the CPI rose quite slowly, and concern was raised that the 3-percent trigger would not be met.[4] Also, as discussed later, current economic assumptions imply that CPI increases will not exceed the trigger about one-third of the time. The effects of not reaching the trigger on OASDI benefit amounts and program financing are of considerable interest.

Whenever any future increase in the CPI is less than 3.0 percent, there will be several effects, under present law, which can be classified as follows: (1) the direct effect on benefit levels of beneficaries who (a) are eligible to receive benefits for the December for which no COLA is provided, or (b) become eligible in the following calendar year; (2) the effect on the earnings base; and (3) the effect on the retirement earnings test exempt amounts. These three effects are discussed below.

[4] In fact, the CPI increase did exceed the trigger percentage; the COLA effective for December 1984 was 3.5 percent. This and the 3.5-percent COLA for December 1983 have been the smallest automatic COLAs.

1. Direct Effect on Benefit Levels

The first and most obvious effect of not having an automatic COLA triggered in a given year is that benefits payable for the 12-month period beginning with December of that year will not be updated to reflect the change in the cost of living for persons who are then eligible for benefits. This lack of updating is temporary; however, the automatic COLA for the following December will use the same prior quarter as a base, thus accumulating the change in the CPI which was temporarily forgone due to the trigger provision. This 2-year CPI increase would generally be sufficient to trigger a COLA for the following year.

The fact that the first automatic COLA after one or more prior COLAs have been foregone is based on the accumulated change in the CPI over more than a 1-year period, however, creates a distortion for persons who first become eligible in the year that the "accumulated" COLA becomes effective. These beneficiaries receive, in their first COLA, an adjustment for changes in the cost of living that occurred not only for the time after initial eligibility, but also for one or more years prior to initial eligibility. The accumulated adjustment for the year(s) prior to initial eligibility is most likely to be positive—up to 2.9 percent—resulting in a larger increase in the benefit level than would be needed to maintain purchasing power. The accumulated adjustment for year(s) prior to initial eligibility could be negative (though rarely), resulting in a smaller increase than would be needed to maintain purchasing power. In both cases, the effect seems to be inconsistent with the purpose of the COLA provision. This matter is discussed further in subsection II.D.

The financial consequences for the OASDI program of the two direct benefit effects described above—forgoing the COLA in the first year and paying inappropriate COLAs to newly eligible beneficiaries in the subsequent year—are in opposite directions and, in the long run, very nearly offset each other. The lower benefit level—than that which would occur in the absence of the trigger provision—for the 12-month period beginning with December for all persons then eligible, results in an immediate, substantial savings to the OASDI program, almost all of which occurs in the first calendar year. The generally higher benefit level for all future months, beginning with the following December for those who become newly eligible during the year following the forgone COLA, results in small annual cost increases which continue for many years into the future. Expressed as percentages of taxable payroll, the 1-year savings and the many years of small additional cost eventually roughly offset each other. Because long-range actuarial estimates are limited to a 75-year valuation period, some of the years with small additional cost resulting from forgone COLAs between 2030 and 2059 will not be included in current long-range estimates. Thus, the long-range estimate does not fully reflect the cost.

2. Effect on Earnings Base

Section 230(a) of Social Security Act requires that the contribution and benefit base (generally referred to as the earnings base) be increased (based on the change in the average wage) effective with the year following a year in which an automatic COLA becomes effective. (The earnings base cannot be reduced, under present law.) If no automatic COLA becomes effective for December of a year, the law does not provide for an increase in the base for the following year. The next increase in the earnings base will, however, reflect the accumulated increase in the average wage.

The financial impact of delaying the increase in the earnings base for a given year is a significant reduction in the taxable payroll for that year. This is generally only a 1-year effect, however, because the increase in the earnings base for the following year reflects the accumulated change in average wages. The reduction in taxable payroll, and thus in income to the OASDI program for a year in which the base is not increased, would eventually be partially offset by lower benefit levels for workers who had earnings above the base in that year. These earnings would have been at least partially covered and credited for benefit-computation purposes if the base had been increased. This partial offset would be insignificant for several years because it would not be realized until the affected workers become eligible for benefits. Much of this partial offset would occur after the end of the 75-year long-range period, for years after 2000 in which the base would not be increased. Even if the valuation were not limited, however, the offset would be only partial because the workers who would be affected—those with high earnings—generally have high benefit levels, with a marginal PIA-formula factor of 15 percent. Thus, relatively little reduction in benefit levels would result from not increasing the base.

3. Effect of Retirement Earnings Test Exempt Amounts

Section 203(f)(8)(A) of the Social Security Act requires that the exempt amounts for the retirement earnings test be increased (based on the change in the average wage), effective with the year following a year in which an automatic COLA becomes effective. (The exempt amounts cannot be reduced, under present law.) When no automatic COLA becomes effective, the law does not provide for such increase, although as with the earnings base, the next increase in the exempt amounts is cumulative.

The long-range effect on the OASDI program of delaying the increase of the exempt amounts when no COLA is triggered is negligible, for two reasons. First, the number of persons who would receive lower benefits for the year in which the exempt amounts are not increased is relatively small. Second, the reduction in benefit payments for that year would be partially or completely offset by higher benefit payments in later years. These higher benefit payments would be caused by adjustments of actuarial reduction factors and the additional delayed retirement credits that would result from the withholding of more benefits for the year in which the exempt amounts were not increased.

4. Net effect on the OASDI program

The combined effect of all the aforementioned implications of the current COLA trigger is a small long-term cost. This is due to the unintended increase in purchasing power that would apply to the benefits for persons who become eligible in the year after a COLA is forgone. As noted above, the cost of those increases roughly offset the savings that occur in the year immediately following the forgone COLA. If this problem were corrected, the trigger provision would result in a small long-term savings.

II. Possible Changes to the Trigger Provision

This section analyzes the possible changes to the trigger provision specifically men-

tioned in P.L. 98-604. The effect of such changes, however, can be considered in the context of an assumed distribution of future increases in the CPI. Thus, the actuarial assumptions are described first, then the specific proposals are analyzed.

A. Assumed Distribution of Future Annual Increases in CPI

For the purpose of this study, the average level of future annual increases in the CPI is assumed to be 4.0 percent—the level assumed for the intermediate (alternative II-B) assumptions of the 1985 OASDI Trustees Report. Since 1913—the first year for which data are available—the CPI has increased at an average annual rate of 3.3 percent. For the more recent 30-year period ending in 1984, however, the average annual increase has been larger—4.6 percent. This is composed of average annual increases of 3.1 percent for the 20-year period ending in 1974, and 7.6 percent for the 10-year period ending in 1984.

The longer-term past experience, combined with recent success in controlling inflation in the U.S. economy, suggest that the high levels of inflation experienced during the 1970s and the early 1980s are not indicative of future average inflation rates. On the other hand, the relatively low 3.2-percent annual rate of inflation from 1982 through 1984 is not likely to be sustained indefinitely. Therefore, an average annual CPI increase of 4.0 percent is considered to be a reasonable long-range assumption.

The future distribution of annual increases in the CPI for individual years is discussed in detail in Appendix B. Based on the analysis presented therein, the probability that the increase in the CPI for a given future year will be less than 3.0 percent is estimated to be 33 percent; the probability that the increase will be less than 1.0 percent is estimated to be 7 percent; and the probability that a given future year will experience deflation (i.e., a decrease in the CPI) is estimated to be 3 percent.

B. Effect of Eliminating the Trigger

The persent of COLA provisions allow for only increases in benefits. If the CPI actually declined for a measuring period, this would not affect benefits immediately, but would reduce the subsequent COLA, as described previously. For the purpose of analyzing elimination of the trigger, the procedure for reflecting decreases in the CPI is assumed to remain unchanged, but increases as small as 0.1 percent (after rounding to the nearest one-tenth of 1 percent) would result in a COLA being paid.

Permanent elimination of the trigger, as described above, effective for the December 1986 COLA, would result in a net long-range savings to the OASDI program of 0.02 percent of taxable payroll, based on the intermediate (alternative II-B) assumptions of the 1985 Trustees Report. The estimated net savings consist of (1) a savings of 0.02 percent of payroll from the effect on the earnings base, (2) a cost of 0.08 percent of payroll from higher benefits during the 12 months after each COLA of 0.1 to 2.9 percent, inclusive, and (3) a savings of 0.07 percent of payroll from the elimination of unintended accumulations of CPI increases for beneficiaries who become eligible in the year following such a COLA. (The net effect differs from the sum of the components because of rounding.) If the unintended accumulations for newly eligible beneficiaries were eliminated separately (see subsection D), then subsequent elimination of the trigger would have an incremental net cost of 0.06 percent of payroll.

If the trigger were eliminated, the probability of not having a COLA in any given year would be greatly reduced. Years without COLAs would still occur, however, during infrequent periods of deflation or no increase in the CPI, which are expected to occur about 3 percent of the time, based on the intermediate (alternative II-B) assumptions of the 1985 Trustees Report.

C. Effect of Changing the Trigger Percentage to 1.0 Percent

Under a proposal to reduce the COLA trigger percentage from 3.0 percent to 1.0 percent, no COLA would occur—i.e., the CPI increase would be less than 1.0 percent—about 7 percent of the time. This would result in a net long-range savings to the OASDI program of 0.01 percent of taxable payroll, based on the intermediate (alternative II-B) assumptions of the 1985 Trustees Report. The estimated net savings consist of the same three elements described above for the proposal to eliminate the trigger; the separate effect of each element is slightly smaller in magnitude than the value shown for the previous proposal. Reduction of the trigger percentage to 1.0 percent after separate elimination of the unintended accumulations for newly eligible beneficiaries (see below) would have an incremental net cost of 0.06 percent of payroll.

D. Effect of Eliminating Accumulation of CPI Increases for Newly Eligible Beneficiaries

For a beneficiary becoming newly eligible during a year, the benefit level is computed using the PIA formula updated for January of that year. The resulting benefit level is generally increased by automatic COLAs each December, starting with the year of eligibility. If the trigger provision results in no COLA being effective for the December prior to the year of eligibility, however, then the change in CPI is accumulated, and the COLA for the year of eligibility is based on a 2-year increase in the CPI. This generally would result in an unintended permanent increase in the purchasing power of the benefit to a level higher than that of the initial benefit.[5] Elimination of this unintended increase, while retaining the present 3.0-percent trigger level, would result in a long-range savings to the OASDI program of 0.07 percent of taxable payroll, based on the intermediate (alternative II-B) assumptions of the 1985 Trustees Report.

Eliminating the unintended accumulation of CPI increases for newly eligible persons would require separate COLAs to be applied for December of the year following a forgone COLA. The COLA based on the accumulated CPI increase would apply to those beneficiaries who were eligible when the COLA was forgone, and a separate COLA without the accumulation would apply to those beneficiaries who became eligible after the COLA was forgone.

If the COLA trigger percentage were not changed from the present level of 3.0 percent, COLAs would be forgone and the resulting unintended increases in the purchasing power of benefits for subsequently eligible beneficiaries would occur about one-third of the time, based on the intermediate (alternative II-B) assumptions of the 1985 Trustees Report. These unintended accumulations of CPI changes would occur less frequently if the trigger percentage were reduced to 1.0 percent or eliminated. Elimination of the unintended accumulations after reduction to 1.0 percent or elimination of the trigger would have a negligible long-range effect.

III. Measurement of the Increase Percentages

The current method for determining the COLA generally makes use of the CPI (specifically, as noted earlier, the Consumer Price Index for Urban Wage Earners and Clerical Workers—CPI-W). Under certain circumstances related to the stabilizer provision, the COLA may be based on the increase in the SSA average wage index (AWI). (The stabilizer provision is not expected to be effective before well into the next century, at the earliest, as discussed in subsection I.A.) The AWI is also used to index a number of other Social Security program amounts, including the earnings base, the PIA-formula bend points, and the exempt amounts under the retirement earnings test.

The COLA is generally equal to the increase in the CPI from the third quarter of the prior year through the third quarter of the current year. If the stabilizer provision were to be effective, the COLA could be based on the increase in the AWI from the second preceding year to the year preceding the current year.

A. Consumer Price Index

The CPI is produced and published on a monthly basis by the Bureau of Labor Statistics (BLS), Department of Labor. The CPI measures changes in the price of a fixed market basket of goods and services. Changes in purchase patterns which might occur for workers depending upon current wage and price levels are not reflected. The fixed-market-basket concept assumes consistent purchasing patterns, both during relatively bad economic periods when workers may be downgrading purchases due to lower wages, and during good economic periods when workers may be upgrading purchases due to higher wages. Basing COLAs on the CPI, which uses a fixed market basket, is consistent with the OASDI program goal of maintaining the purchasing power of benefits. The CPI for each month is available before the end of the following month. The September CPI is, therefore, available by the end of October, in time to be used in determining the COLA effective in December of the same year. The index is not revised after release.

The CPI-W, which is used for determining the COLA, represents the consumption patterns of urban wage earners and clerical workers, or roughly 40 percent of the noninstitutionalized civilian population. The CPI for All Urban Consumers (CPI-U) is also published by BLS. The biggest difference between the CPI-U and the CPI-W is in the covered population. The CPI-U covers all urban consumers, including a large proportion of OASDI beneficiaries, while the CPI-W covers only urban wage earners and clerical workers, thus including few beneficiaries.

The primary reason that the CPI-U is not used for COLA determinations is that it did not exist when the original COLA provisions were enacted in 1972. Because of its more comprehensive coverage the CPI-U would seem to be superior to the CPI-W for determining COLAs. Analysis of past experience, however, provides no reason to expect significant differences in the COLAs that would result from using the CPI-U, as compared to those using the CPI-W.

[5] The accumulation of CPI changes would result in a decrease in the purchasing power of the benefit if a decrease in the CPI were to occur. This is assumed to occur about 3 percent of the time.

In general, the current third-quarter-to-third-quarter basis used to measure CPI increases seems to be optimal in most respects. The use of an earlier quarter would detract from the goal of reflecting changes in the cost of living on a timely basis, although it would provide more time for the administrative procedures needed to effectuate a COLA; the use of a later period is a practical impossibility at the present time because those administrative procedures require all of the time available between the date when the COLA can be determined and when it is effective.

B. Average Wage Index

The AWI is produced annually as a measure of the average annual amount of wage and salary earnings per person who worked at any time during the year. Since 1978, AWI values have been based on IRS data from income tax returns and the attached W-2 forms. Thus, the AWI for a given year is not available until October of the following year. The AWI represents all wage and salary workers; all persons with net self-employment earnings and no wages are excluded. In the past, the AWI has generally been based on about 96 percent of the tax returns that are ultimately processed for a year. Of course, a small number of workers who do not file returns are excluded. The AWI is not revised after release.

The AWI measures changes in average wage levels, including the effects of changes in hourly wage rates, full-time versus part-time status, the average proportion of the year during which workers are employed, and the mix of employment by type of job, establishment, and industry. Unlike the fixed-market-basket approach used for the CPI, the AWI reflects the dynamic nature of employment. Because of its complete coverage, lack of revision, and sensitivity to the dynamics of employment, the AWI is an excellent index for updating the earnings base and other wage-indexed program amounts. Should the stabilizer provision ever operate, however, the lack of timeliness of the AWI could produce unintended results, as described below.

C. COLA Stabilizer Implications

The stabilizer provision is intended to limit the rise in OASDI benefits, when the trust fund ratio is low, to roughly the rise in the contributions used to finance, to a large extent, those benefits. Accordingly, the provision can act to limit the COLA to the lesser of the CPI increase and the average-wage increase. The use of the AWI, however, to measure the increase in the average wage involves a significant inconsistency in the measuring periods.

The difference between the midpoint of the AWI measuring period—January 1 of the year prior to the year for which the COLA becomes effective—and the midpoint of the CPI measuring period—February 15 of the year the COLA becomes effective—is 13.5 months. This 13.5-month difference between the midpoints of the measuring periods creates a distinct possibility of either not limiting the COLA under the stabilizer provision when such limitation is warranted, or limiting the COLA when, in fact, the CPI has not risen more rapidly than average wages for any recent year. A closer alignment of the measuring periods for the CPI and the average wage would increase the probability that the stabilizer provision—if it is ever needed—will properly fulfill its intended purpose.

The potential problem in the context of the COLA stabilizer provision caused by the significant difference between the measuring periods for the CPI and the AWI could be alleviated by changing the measuring period for the CPI to approximate more closely that for the AWI. This would be detrimental, however, to the primary goal of providing a timely reflection of changes in the cost of living, during the vast majority of the time when the COLA is based on the CPI only.

As described previously, the primary shortcoming of the SSA average wage index (AWI) for the purpose of determining the COLA under the stabilizer provision is the 13.5-month difference between the midpoints of the CPI measuring period and the average-wage measuring period. The BLS produces several wage indices that would result in little or no lag between the CPI and the average-wage measuring periods. Most of these indices are subject to later revision, however, making them unsuitable for use in determining the COLA. The BLS Employment Cost Index (ECI), however, is not subject to revision and, used effectively, would provide a significant improvement in timeliness over the AWI for the purpose of computing the average-wage increase under the stabilizer provision.

Appendix C discusses in detail the advantage and disadvantages of using the ECI, rather than the AWI, in the context of the stabilizer. Although the ECI would provide a more timely measure than the current AWI, this advantage is not important in the choice of a wage index for adjusting the earnings base, the PIA-formula bend points, and other wage-indexed program amounts. The AWI is considered to be the best choice for these adjustments because of its essentially complete coverage of wage and salary workers. If the timeliness criterion were considered to be the most important in the context of the stabilizer provision, and the ECI were substituted for the AWI, no problems would result from the apparent inconsistency that would be introduced by using the ECI for one purpose under the law, while using the AWI for all other purposes involving wage indexing.

APPENDIX A

PUBLIC LAW 98-604—OCT. 30, 1984—98 STAT. 3161

SEC. 2. The Office of the Actuary of the Social Security Administration shall conduct a study of improvements which might be made in the application and operation of the cost-of-living adjustment provisions in section 215(i) of the Social Security Act, giving particular attention to—

(1) the long-term effects of altogether eliminating the COLA trigger (the provision which requires that the CPI increase percentage (or the wage increase percentage) reach a specified level in order to trigger a cost-of-living adjustment in benefits);

(2) the long-term effects of reducing the level of the COLA trigger from 3 per centum to 1 per centum;

(3) long-term assumptions (explained in detail) concerning the frequency of instances in which the applicable increase percentage would be less than 3 per centum, the frequency of instances in which such percentage would be less than 1 per centum, and the frequency of deflationary periods in which there would be no increase in such percentage; and

(4) an analysis of the period currently being used to measure CPI and wage increases, and the long-term effects of changing such period so as to make it noncumulative or to use different calendar quarters.

The Office of the Actuary shall submit to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate, on or before September 1, 1985, a full and complete report of the study conducted under this section.

Approved October 30, 1984.

APPENDIX B. ASSUMED DISTRIBUTION OF FUTURE ANNUAL INCREASES IN THE CPI-W

The basis for developing the distribution of future annual increases in the CPI-W (around the 4.0-percent average annual increase assumed for the intermediate alternative II-B estimates in the 1985 Trustees Report) is analysis of the actual annual change from the third calendar quarter of the prior year through the third calendar quarter to the current year, for 1952 through 1983. This period was chosen because it represents a reasonable range of future experience and follows a fairly smooth trend line. Although the change in the homeownership component of the CPI-W from a homeowners'-cost basis to a rental-equivalency basis, starting with 1985, was a significant change, the historical series of the CPI is the best available consistent series upon which to develop a distribution.

Chart 1 illustrates the series of annual changes in the CPI for 1952 through 1983, along with the trend line [1] based on the historical series. The variation in the annual rates of increase was analyzed relative to the trend line, which therefore represents the "underlying" rate of increase in the CPI through the period, in the same way that the underlying future rate of increase in the CPI is represented as a constant 4.0 percent for alternative II-B. Thus, historical annual deviations are calculated as the differences between the actual CPI increases and the "expected" ones, as shown by the trend line.

Chart 2 illustrates the cumulative distribution function (CDF) of future CPI increases, based on the historical series of deviations, as defined above. For each possible value, the CDF represents the probability that the CPI increase for a given year will be less than or equal to that value. Chart 2 also shows a smooth curve that was fitted to the actual CDF derived directly from the data. This "theoretical" CDF was used to represent the future distribution of CPI increases for developing estimates of the financial effect on the OASDI program of modifying the COLA trigger. This theoretical CDF is fairly close to a normal distribution, but it provides a better fit to the data, especially in the critical range from 1 to 4 percentage points below the underlying trend.

[Charts not reproducible for the RECORD.]

Table B.1 presents the actual percentage changes in the CPI for 1952 through 1983, the underlying rate as shown by the trend line, and the annual deviations. Table B.2 presents the probabilities of having an annual CPI increase in various intervals. These probabilities were calculated based on the theoretical CDF described above and an underlying rate of increase of 4.0 percent per year, as was assumed for the intermediate (alternative II-B) assumptions of the 1985 Trustees Report.

[1] The trend line was determined using regression techniques that minimize the sum of the squares of the differences between the actual and the "expected" values of the dependent variable—in this case, the rate of increase in the CPI.

TABLE B.1.—ACTUAL AND EXPECTED PERCENTAGE CHANGES IN THE CPI, 1952–83

Year	Percentage change in CPI [1]		Deviation (actual—expected)
	Actual	Expected [2]	
1952	2.70	−0.14	2.84
1953	.75	.15	.60
1954	.00	.45	−.45
1955	−.25	.74	−.99
1956	1.99	1.04	.95
1957	3.41	1.33	2.08
1958	2.24	1.63	.61
1959	1.04	1.92	−.88
1960	1.26	2.21	−.95
1961	1.24	2.51	−1.27
1962	1.22	2.80	−1.58
1963	1.32	3.10	−1.78
1964	1.09	3.39	−2.31
1965	1.72	3.69	−1.97
1966	3.17	3.98	−.81
1967	2.86	4.28	−1.42
1968	4.28	4.57	−.29
1969	5.63	4.87	.76
1970	5.78	5.16	.62
1971	4.27	5.46	−1.19
1972	3.03	5.75	−2.72
1973	6.84	6.05	.79
1974	11.53	6.34	5.19
1975	8.67	6.64	2.03
1976	5.52	6.93	−1.41
1977	6.63	7.23	−.60
1978	7.91	7.52	.39
1979	11.98	7.82	4.16
1980	12.78	8.11	4.67
1981	10.79	8.41	2.38
1982	5.64	8.70	−3.06
1983	2.46	9.00	−6.54

[1] Increase in average CPI from third calendar quarter of prior year through third calendar quarter of year. Values for the CPI are taken from the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI–W) starting 1978, the first year for which more than one CPI existed.

[2] Based on trend line through actual values for 1952 through 1983.

TABLE B.2.—*Probability distribution of future annual increases in the CPI, assuming a 4.0-percent underlying rate of increase*

Range of annual increase in CPI (percent)	*Probability of increase in the range* [1]
Less than 0.0	0.03
0.0 to 0.9	.04
1.0 to 1.9	.08
2.0 to 2.9	.18
3.0 to 3.9	.21
4.0 to 4.9	.18
5.0 to 5.9	.12
6.0 to 6.9	.07
7.0 to 7.9	.05
8.0 or more	.04

[1] The probability distribution shown is based on the theoretical cumulative distribution function illustrated in chart 2.

APPENDIX C. ALTERNATIVE AVERAGE-WAGE INDICES FOR THE COLA STABILIZER PROVISION

Section III of this paper includes a discussion of some alternatives to the current AWI for measuring average-wage increases for the purpose of the stabilizer provision. This appendix provides a more detailed analysis of the merits of the alternative measures of average wages produced by the Bureau of Labor Statistics (BLS), relative to those of the AWI.

a. Appropriateness—The BLS produces several measures of average hourly and weekly wages. Most are subject to revision, however, making them unsuitable for use in determining COLAs. Neither the SSA Average Wage Index (AWI) nor the BLS Employment Cost Index (ECI) is revised after publication. The rest of this appendix focuses on those two measures of average wages.

b. Timeliness—The ECI is produced four times each year, reflecting average wage levels during the months of March, June, September, and December. Each value is available on the last Tuesday of the following month and is not subject to subsequent revision. Therefore, the September ECI is available by the end of October, in time for use in determining the COLA.

Measuring the ECI average-wage change for September of the year of a COLA, as compared to the value for September of the prior year, would result in a small difference between the CPI and average-wage measuring periods. An exact match of measuring periods can be achieved by using a weighted average of the ECI values for June and September (one-third of the June value, plus two-thirds of the September value). With this approach, the comparison of changes in CPI and the average wage could use effectively the same measuring periods, resulting in a highly accurate measure of whether, and by how much, the average-wage increase is less than the increase in the CPI.

The AWI is produced on an annual basis and is not available until the following October. The difference between its measuring period and that of the CPI is 13.5 months (see subsection III.C of this report).

c. Coverage—The ECI is currently based on a survey of about 2,900 establishments, which employ about 3.5 million workers. Starting June 1981, the index represents all private plus State and local government wage and salary workers, or about 80 percent of all U.S. workers. The AWI covers almost all wage and salary workers (see subsection III.B).

d. Comparison of results—Table C.1 presents a comparison of historical percentage changes in the CPI and changes in the AWI and ECI. In each case, the changes are calculated on the basis appropriate for determining the COLA. For ease of comparison, the present-law effective date of December is assumed for automatic COLAs for all historical years.

Percentage changes in the ECI of wages and salaries are shown for the most comprehensive ECI (column 2), which includes the private sector and State and local employment, and for the ECI which includes the private sector only (column 3). Changes for the less comprehensive private-sector ECI are shown only because so few values are available for the more comprehensive ECI, which has been produced only since June 1981.

Table C.2 presents a historical comparison of the differences between the increases in the CPI and in the average wage, based on the various wage indices included in table C.1. Negative values in table C.2 indicate years for which the stabilizer provision would have caused the COLA to be based on the average-wage increase, instead of on the CPI increase, if the applicable trust fund ratio were below the stabilizer threshold.

For 4 of the 8 years in the period 1977–1984, the wage increase was less than the CPI increase (i.e., the value in table C.2 is negative) for each of the average-wage indices. The amount by which the average-wage increase is lower, however, varies significantly because of the different timing and coverage of the indices.

e. Conclusion—Based solely on the numerical results of the past, we cannot conclude that either of the suitable average-wage indices would be the best for use in determining the COLA when the stabilizer provision is involved. Rather, any preference should be based on the appropriateness of the timing and coverage of these average-wage indices.

The 13.5-month difference between the midpoints of the CPI and average-wage measuring periods associated with the AWI involves a significant problem of timeliness in determining the COLA. If the stabilizer provision is ever effective, the crucial comparison between the CPI and the average-wage increases would be based on inconsistent measuring periods, with the possible result that either the average wage might appear to be rising more slowly than the CPI when it is not, or the average wage might not appear to be rising more slowly than the CPI when it is. Thus, the comparison between the CPI and the average-wage increases using the AWI would be an unreliable indicator of the relative rates of change in prices and average wages. In contrast, effective use of the ECI can reduce the difference in measuring periods of zero.

The use of the ECI, rather than the AWI, would represent a significant improvement in timeliness, for the purpose of the stabilizer provision, only. The AWI, however, has the advantage of completeness of coverage, which is a much more important consideration for indexing the OASDI earnings base, the PIA-formula bend points, the retirement earnings test exempt amounts, and other wage-indexed program amounts. If the timeliness criterion was considered to be more important in the context of the stabilizer provision, and the ECI were substituted for the AWI, the use of different indices for these different purposes under the law would not cause any problems.

TABLE C.1.—COMPARISON OF CHANGES IN THE CPI WITH CHANGES IN VARIOUS INDICES OF AVERAGE WAGE LEVELS, 1977–84

Year	Percentage change from same period for prior year			
		ECI [2] for 3d quarter		
	AWI [1] for year 1	Private plus S&L	Private only	CPI–W for 3d quarter
	(1)	(2)	(3)	(4)
1977	6.9	NA	7.1	6.6
1978	6.0	NA	7.8	7.9
1979	7.9	NA	7.7	12.0
1980	8.0	NA	9.3	12.8
1981	9.0	NA	9.2	10.8
1982	10.1	7.1	6.9	5.6
1983	5.5	5.3	5.2	2.5
1984	4.9	4.5	4.3	3.5

[1] The Average Wage Index is based on W–2 forms for wage and salary workers who file income tax returns (see subsection III.B).

[2] The Employment Cost Index for average wages and salaries in the third quarter is calculated as one-third times the June index, plus two-thirds times the September index. The figures shown in column (2) are based on the index for all wage and salary employees in the private nonagricultural sector, plus those employed by State and local governments. The figures shown in column (3) are based on the index for all wage and salary employees in the private nonagricultural sector, only.

TABLE C.2.—COMPARISON OF REAL AVERAGE WAGE CHANGES FOR VARIOUS AVERAGE WAGE INDICES, 1977–84

Year	Percentage change from same period for prior year		
		ECI [2] for 3d quarter	
	AWI [1] for year 1	Private plus S&L	Private only
	(1)	(2)	(3)
1977	0.3	NA	0.5
1978	−1.9	NA	−.1
1979	−4.1	NA	−4.3
1980	−4.1	NA	−3.5
1981	−1.8	NA	−1.6
1982	4.5	1.5	1.3
1983	3.0	2.8	2.7
1984	1.4	1.0	.8

[1] The Average Wage Index is based on W–2 forms for wage and salary workers who file income tax returns (see subsection III.B).

[2] The Employment Cost Index for average wages and salaries in the third quarter is calculated as one-third times the June index, plus two-thirds times the September index. The figures shown in column (2) are based on the index for all wage and salary employees in the private nonagricultural sector, plus those employed by State and local governments. The figures shown in column (3) are based on the index for all wage and salary employees in the private nonagricultural sector, only.

[Memorandum]

APRIL 10, 1986.

From: Harry C. Ballantyne, Chief Actuary.

Subject: Possible Spread in the Short-Range Cost of Eliminating the 3.0-Percent Trigger for the December 1986 Benefit Increase—Information.

In a memorandum dated April 3, Richard S. Foster presented illustrative short-range estimates for a proposal to eliminate the 3.0-percent trigger requirement for the December 1986 benefit increase. The estimates were requested by the staff of the Social Security Subcommittee of the Committee on Ways and Means and, as requested, were based on an assumed increase of 2.9 percent in the CPI-W from the third quarter of 1985 through the third quarter of 1986. Otherwise, the assumptions underlying the estimates were the economic assumptions developed by the Congressional Budget Office in February 1986. The April 3 memorandum indicated that the illustrative estimates would vary substantially if other inflation assumptions were used.

The estimates in the April 3 memorandum received considerable attention from Congressional staff and subsequently from the press. The estimates were quite adequately described in the April 3 memorandum, but in view of the attention given to the estimates and the questions I have received recently, I thought it would be desirable to emphasize a few points that were made in the memorandum, and to indicate the possible range in costs that could result under various other assumptions.

The total net cost of eliminating the trigger requirement, based on the estimates in the memorandum, was $4.1 billion over the 5 fiscal years 1987-91. As pointed out in the memorandum, this cost represented the net effect of the following:

1. Changes in OASDI benefit payments resulting from elimination of the trigger requirement,

2. Changes in OASDI and HI contribution income resulting from changes in the contribution and benefit base, and

3. A relatively small amount of additional income from the taxation of benefits.

Neither the original estimate (as contained in the April 3 memorandum), nor the range of estimates shown in this memorandum, reflect the effects of any other changes, besides the CPI change, that perhaps should be made in the economic assumptions, such as economic growth, average wage levels, and interest rates. Such a wholesale revision in the assumptions was not considered to be feasible for the purpose of the illustrative estimates. Moreover, while such changes in other economic factors could have an important effect on the total income of the Social Security program, they probably would not substantially affect the cost of eliminating the 3.0-percent trigger requirement.

The points I want to emphazise are the following:

1. The contribution and benefit base under present law, based on the particular assumptions used, is $300 higher in each year 1988-91 than it would be if the trigger were eliminated. As the memorandum indicated, this results solely from rounding (to the nearest multiple of $300) at each determination of the base. It is equally likely that the base would be $300 lower, under slightly difference assumptions, or, more likely, the same. The amount included in the net cost of $4.1 billion due to the $300 increment in the base, is $1.2 billion. The net cost would have been only $3.0 billion if the base in each year 1988-91 were the same under present law as it would be if the trigger were eliminated. (Or, if the base under present law were $300 lower, because of rounding, the net cost would be only $1.8 billion over the 5 years.)

2. The illustrative estimates were based on an assumed CPI increase of 2.9 percent. If the CPI increase were lower, the net cost over the 5 years would also be lower. The latest forecast by Data Resources, Inc., (their CONTROL for April 1986) is for an increase in the CPI-W of 1.9 percent from the third quarter of 1985 through the third quarter of 1986. If an increase of 1.9 percent were assumed, instead of 2.9 percent, the net cost over the 5 years would decrease by another $1.6 billion, to a total cost of $1.4 billion, assuming no effect on the contribution and benefit base in 1988-91.

It is obvious, then, that in the absence of other significant changes in the economic assumptions, the net cost of $4.1 billion, based on the illustrative estimates in the April 3 memorandum, represents an upper limit on the range of possible net costs. Based on a 1.9-percent CPI increase, and assuming no difference between the contribution and benefit base amount in 1988-91, the net cost would be only $1.4 billion. (If, additionally, the base under present law were $300 lower in 1988-91, the net cost over the 5 years would be reduced by another $1.2 billion, bringing the total net cost to only $0.2 billion.)

The April 3 memorandum did not include the effects of the COLA trigger on other programs, such as SMI, SSI, Railroad Retirement benefits, and Veteran's pension. If there is no COLA for December 1986, the SMI premiums would not increase in 1987. Current HCFA estimates, based on the alternative II-B assumptions in the 1986 Trustees Report, indicate that the amount of reduction in SMI premium income would be $1.3 billion in fiscal year 1987 and $0.4 billion in fiscal year 1988. With the enactment of the Consolidated Omnibus Reconciliation Budget Act, SMI premium income after fiscal year 1988 would not be effected by elimination of the COLA trigger. With respect to the other programs, elimination of the COLA would probably cost a total of about $0.6 billion over the 5 years, based on a 2.9-percent CPI increase, or $0.4 billion based on a 1.9-percent CPI increase.

In summary, if the CPI increase is only 1.9 percent, if the contribution and benefit base in 1988-91 is not affected by elimination of the trigger, and if the other programs are taken into account, the net cost of eliminating the trigger would be only about $0.1 billion over the 5 years.

The following table shows a possible range of costs, by fiscal year, assuming there is no difference in the contribution and benefit base in 1988-91. Estimates are shown for possible increases of 2.9 percent (as in the April 3 memorandum), 1.9 percent (the DRI CONTROL for April 1986), and 0.9 percent (DRI has an increase as low as 0.7 percent in one alternative projection for April 1986). As in the April 3 memorandum, the effects on the other programs (SMI, SSI, Railroad Retirement benefits, and Veterans' pensions) are not included in these estimates.

NET COST FOR OASDI AND HI BASED ON A CPI INCREASE

[In billions]

Fiscal year	2.9 percent	1.9 percent	0.9 percent
1987	$3.6	$2.2	$0.7
1988	.2	−.3	−.7
1989	−.2	−.1	−.1
1990	−.3	−.2	−.1
1991	−.3	−.2	−.1
Total	3.0	1.4	−.2

HARRY C. BALLANTYNE.

COSTS OF THE TRIGGER

This table summarizes the costs of the COLA trigger as described in the actuaries' memo. Unlike the table used by the actuaries however, this table includes the effect of the trigger on the Medicare Part B program, SSI, and on Railroad Retirement and other federal pensions. Note also that the actuaries' discussion in this memo and earlier memos focused on the worst possible scenario with regard to elimination of the COLA trigger.

EFFECTS OF ELIMINATING COLA TRIGGER PROJECTED OVER 5 YEARS

[Amounts in billions]

	1986 inflation scenarios [1]		
	2.9 percent	1.9 percent	0.9 percent
Increased benefits:			
1987 COLA	5.6	3.7	1.7
Minus windfall	−.9	−.6	−.3
Net increase	4.7	3.1	1.5
Reduced taxes:			
Lower payroll tax base	−1.6	−1.6	−1.6
Lower taxation of benefits	−.1	−.1	−.1
Total	−1.7	−1.7	−1.7
Total increase in SSI, veterans, and other pensions	.6	.4	.2
Reduced SMI premiums	−1.7	−1.7	−1.7
Net cost [2] of eliminating COLA trigger and paying 1987 COLA	1.9	.1	−1.7

[1] The most recent projections (Data Resources Inc.) show a 1.9 percent inflation rate.

[2] Because of an uncertain effect caused by Social Security's practice of rounding off increases in the taxable wage base, under each assumed level of inflation, the net cost of eliminating the COLA trigger has a 25-percent chance of being $1.1 billion higher, and a 25-percent chance of being $1.1 billion lower than the figure listed.

Mr. CHILES. Mr. President, in 1972 Congress enacted legislation providing Social Security cost-of-living increases only when inflation exceeded 3 percent during the previous 12 months.

Today, Senator HEINZ and I are introducing a bill to permanently repeal that provision, and thus allow Social Security COLA's to occur each year, even if inflation is lower than 3 percent.

As things stand now, as the Senator from Pennsylvania has pointed out, Social Security beneficiaries are denied a COLA increase if, for example, inflation in the preceding 12 months was 2.9 percent. However, if inflation was 3 percent or higher, beneficiaries receive an increase in benefits equal to the rate of inflation.

It's the first case—where inflation is below 3 percent—that works a hard-

ship on so many senior citizens living on fixed incomes. The current law allows those beneficiaries to "catch-up" later when the total inflation rate over 24 months exceeds 3 percent. The trouble is they must wait another full year or even longer to see their purchasing power catch up with the realities of the economy.

For that extra period of time, they are running behind the rest of the country in their ability to afford goods and services.

The current 3 percent barrier is artificial, something enacted 14 years ago, and in effect since 1975. It became law when inflation was almost always in excess of 3 percent annually. But today we could have the perverse result that with inflation lower, people can be—and are still—forced to wait longer for their cost-of-living adjustments. Whatever the justification behind the steps taken in 1972, they are no longer in force today.

This is not a gratuitous change we propose to make. The budget resolution passed by the Senate May 1 made allowances for just such a change in the law. Nor it is without precedent.

As far back as 1976, Congress revised the COLA provisions under Federal civil service retirement, and dropped the requirement that inflation rise by a certain amount before a COLA increase was allowed.

A number of other COLA provisions will be affected by the change we propose now. The supplemental security income COLA is governed by the existing procedures under Social Security. Railroad retirement benefits, and pensions for needy disabled and elderly veterans, are also governed by the same rules. So this change will also affect a number of retirement programs other than Social Security.

Mr. President, this change in the law amounts to economic fairness for people in this Nation who normally have scant opportunities to supplement retirement incomes. It essentially says we can see little sense in making people wait 2 years to receive benefits they are entitled to receive as the economy changes.

Congress has made a statutory pledge to allow these people to keep pace with the economy. We believe they should have those rights as events warrant, and not have to sprint fitfully to keep up.

I hope the Senate will endorse this change in the same bipartisan spirit with which they gave overwhelming approval to the budget resolution which allows room for this revision in current law.

Mr. President, I am happy to associate myself with the Senator from Pennsylvania in proposing this legislation.

It makes sense economically because it is fair and so we should be able to see an overwhelming vote of support in the Senate to pass this legislation.

Mr. HEINZ. Will the Senator yield?

Mr. CHILES. I yield to the Senator from Pennsylvania.

Mr. HEINZ. I again express my appreciation to the Budget Committee for recognizing what the Senator accurately described as fairness and commonsense. I might also add that I discussed the administration's support of this proposal down at the White House yesterday with the President. I anticipate, although I cannot speak for the President at this point, that we have his support. I have reason to believe that, but I cannot say that he has as yet endorsed it. It is my hope we will hear possibly as early as today that he has and he will. So I look forward to early enactment of this legislation and I intend to counsel with the majority leader the best way to achieve that at the earliest possible date so we can eliminate any uncertainty.

Mr. CHILES. I thank the Senator from Pennsylvania. I am glad to hear that. As he knows, this has the support of the majority and minority leaders. It has the support of the chairman of the Budget Committee as well as myself as the ranking member and the support of many other Members of the Senate from both sides of the aisle. I hope it will receive early consideration and be passed very quickly in the Senate.

Mr. CRANSTON. Mr. President, I am pleased to join as an original cosponsor of this bipartisan legislation to remove an anachronism from the Social Security Act which, if left unchanged, could very well result in an unjustified delay in payment of the 1987 Social Security cost-of-living adjustment [COLA] as well as future adjustments. This legislation would permanently eliminate the so-called COLA trigger which provides that the adjustment will not be paid in any year where the inflation rate falls below 3 percent. This trigger does not cancel the COLA; it merely postpones its payment until a subsequent year.

Mr. President, it is important to understand that the trigger was originally put into the Social Security Act for administrative purposes. It was intended to alleviate the administrative burden—in a precomputerization era—of calculating a small adjustment. Obviously, that rationale no longer exists. The Social Security Administration is now perfectly capable of efficiently making adjustments below 3 percent.

Mr. President, the Social Security COLA is intended to adjust Social Security benefits in order to keep up with inflation so that the real value of benefits does not decline over time.

There is no logical reason why Social Security beneficiaries should receive a COLA if inflation is at 3 percent but have to wait another year to receive the adjustment if inflation runs at 2.9 percent. Social Security recipients need the COLA in the year that they experience an increase in their cost of living—when their housing, food, and other living expenses increase—not a year later.

According to a report issued by the Office of the Social Security Actuary, because of the interplay between the COLA and other aspects of the Social Security Program, the elimination of the 3-percent trigger would actually result in a long-term savings to the Social Security system.

Mr. President, I would also note that the Senate has already gone on record in the Senate-passed budget resolution in assuming that the trigger will be eliminated for fiscal year 1987 so that Social Security recipients would receive a COLA next January. The legislation we are introducing today would make that change permanent.

I am very pleased that this year there is bipartisan support for ensuring that Social Security recipients receive the cost-of-living adjustments which help ensure that senior citizens living on fixed incomes do not lose the real dollar value of the Social Security benefits they have earned over a lifetime of work. Congress should move swiftly to eliminate this anachronism in the law.

By Mr. MELCHER (for himself and Mr. INOUYE):

S. 2451. A bill to provide for entry into the United States of sugar only from friendly developing countries, to provide for entry of sugar from the Philippines on at least as favorable terms as sugar from any other country, and for other purposes; to the Committee on Finance.

PHILIPPINES SUGAR QUOTA ACT

Mr. MELCHER. The bill I and Senator INOUYE introduce today is the most important step for Philippine economic recovery and the most important step to redress an old wrong perpetrated upon the Philippines in 1982.

Their sugar quota to the United States was set at an abnormally low amount then which decimated their sugar industry impoverishing thousands of Filipino families whose livelihood depended upon sugar production.

This bill would correct that grievance allowing them a greater sugar quota and open the door for greater U.S. trade opportunities with them.

The bill provides for a realignment of U.S. sugar quotas from developed countries that are net importers of sugar, selling sugar to the United States that they purchase on the world market and then ship to the United States at a profit. The sugar quotas were not established in the United States for that purpose.

This bill corrects that flaw and rewards our long time friend, ally, and trading partner—the Philippines.

By Mr. THURMOND (for himself, Mr. ABDNOR, Mr. DENTON, Mr. DOLE, Mr. BRADLEY, Mr. BURDICK, Mr. LEVIN, Mr. NUNN, Mr. ZORINSKY, Mr. PRYOR, Mr. LAXALT, Mr. MOYNIHAN, Mr. HOLLINGS, Mr. MCCLURE, Mrs. HAWKINS, Mr. DODD, Mr. INOUYE, Mr. LAUTENBERG, Mr. NICKLES, Mr. CHAFEE, Mr. BENTSEN, Mr. METZENBAUM, Mr. MATTINGLY, Mr. RIEGLE, and Mr. STEVENS):

S.J. Res. 344. Joint resolution to designate the week beginning June 8, 1986, as "National Children's Accident Prevention Week"; to the Committee on the Judiciary.

NATIONAL CHILDREN'S ACCIDENT PREVENTION WEEK

Mr. THURMOND. Mr. President, I am pleased to introduce today legislation which would designate the week of June 8, 1986, as "National Children's Accident Prevention Week."

The children of the United States are this Nation's most precious resource. Every year approximately 25 percent of all children in the United States under the age of 14 suffer accidental injuries, resulting in more than 10,000 deaths each year. These injuries occur most often during the summer months when children are not in school and are outdoors much of the time. Motor vehicle accidents, bicycle accidents, falls, burns, and swimming mishaps are the leading causes of death.

Some of these tragedies are unavoidable. However, the incidence of such deaths can be greatly reduced by applying accident prevention methods and seeking expert pediatric emergency care at the time of injury.

I urge my colleagues to consider the importance of this resolution, as it relates to the health and well-being of our children, and to lend it their support.

By Mr. DOLE:

S.J. Res. 345. Joint resolution to designate the week begining November 9, 1986, as "National Reye's Syndrome Awareness Week"; to the Committee on the Judiciary.

NATIONAL REYE'S SYNDROME AWARENESS WEEK

Mr. DOLE. Mr. President, today I am introducing a joint resolution requesting the President to designate the week beginning November 9, 1986, as "National Reye's Syndrome Awareness Week."

Reye's syndrome, a disease that affects the liver and the brain, is a frightening, swift acting disease that strikes children and adolescents recovering from viral illnesses. No child is immune. The symptoms are unfamiliar to most parents and many health professionals. This lack of education often leads to misdiagnosis and improper treatment, causing death or irreversible brain damage to its victims.

Reye's syndrome is among the 10 major causes of death in children aged 1 to 10 years. It occurs during all months of the year but with greatest frequency during January, February, and March coinciding with epidemics of influenza. While the Centers for Disease Control [CDC] estimate that the national incidence of the disease is 0.31 cases per 100,000 children, recent research conducted at the Children's Medical Center in Cincinnati, OH, indicates that the prevalence of Reye's syndrome may be underestimated.

Early detection of Reye's syndrome is vitally important if treatment is to be successful. Statistics indicate an excellent chance of recovery when Reye's syndrome is diagnosed and treated in its earliest stages; the later the diagnosis and treatment the more severely reduced chances are for successful recovery and survival.

I know that my colleagues will join me in the war to eradicate one of the deadliest disease of childhood: Reye's Syndrome.

Mr. President, I ask unanimous consent that the joint resolution be printed in the RECORD.

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

S.J. RES. 345

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,

Whereas Reye's Syndrome can swiftly strike individuals recovering from viral illnesses, particularly children and adolescents;

Whereas the cause of Reye's Syndrome is unknown and the disease has no known cure;

Whereas over 30 percent of individuals with Reye's Syndrome die, and between 15 and 25 percent of survivors of the disease suffer injury to the brain;

Whereas medical research has shown a relationship between the use of salicylate (commonly known as aspirin) by children who are recovering from viral illnesses and the development of Reye's Syndrome is such children;

Whereas warnings against the use of aspirin by such children have been issued by the Surgeon General of the Public Health Service and officials or officers of the Centers for Disease Control, the American Academy of Pediatrics, and the National Reye's Syndrome Foundation;

Whereas most people, including health professionals, are unfamiliar with the symptoms of Reye's Syndrome, and such unfamiliarity often results in misdiagnosis and improper treatment;

Whereas current records with respect to the incidence of Reye's Syndrome are inaccurate because comprehensive records are not maintained throughout the United States;

Whereas the inaccuracy of such current records is evidenced by the fact that more incidences of Reye's Syndrome are reported annually to the National Reye's Syndrome Foundation than are reported to the Centers for Disease Control;

Whereas the National Reye's Syndrome Foundation, which is supported by thousands of parents, is a volunteer organization with affiliates throughout the continental United States;

Whereas the purposes of the National Reye's Syndrome Foundation include providing support to individuals afflicted with Reye's Syndrome and to the families of such individuals;

Whereas such purposes further include efforts to increase the awareness and understanding of Reye's Syndrome by disseminating available information about the disease and by supporting research that can develop a cure for, and preventive measures against, the disease, and

Whereas research with respect to developing a cure for, and preventive measures against, Reye's Syndrome should be increased: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week beginning November 9, 1986, is designated "National Reye's Syndrome Awareness Week", and the President of the United States is authorized and requested to issue a proclamation calling upon the people of the United States to observe such week with appropriate ceremonies and activities.

ADDITIONAL COSPONSORS

S. 524

At the request of Mr. ARMSTRONG, the name of the Senator from Texas [Mr. BENTSEN] was added as a cosponsor of S. 524, a bill to recognize the organization known as The Retired Enlisted Association, Inc.

S. 1801

At the request of Mr. EAST, the name of the Senator from New Hampshire [Mr. RUDMAN] was added as a cosponsor of S. 1801, a bill to amend the Trade Act of 1974 to promote expansion of international trade in furniture with Canada, and for other purposes.

S. 1890

At the request of Mr. THURMOND, the name of the Senator from Colorado [Mr. ARMSTRONG] was added as a cosponsor of S. 1890, a bill to allow States to charge tolls for the use of new highways on the Federal-aid primary or secondary system.

S. 1917

At the request of Mr. BRADLEY, the name of the Senator from Indiana [Mr. LUGAR] was added as a cosponsor of S. 1917, a bill to amend the Foreign Assistance Act of 1961 to provide assistance to promote immunization and oral rehydration, and other purposes.

S. 1965

At the request of Mr. STAFFORD, the names of the Senator from Utah [Mr. HATCH], the Senator from South Carolina [Mr. THURMOND], the Senator from Pennsylvania [Mr. HEINZ], the Senator from North Dakota [Mr. ANDREWS] and the Senator from Nebraska [Mr. EXON] were added as cosponsors of S. 1965, a bill to reauthorize

and revise the Higher Education Act of 1984, and for other purposes.

S. 2256

At the request of Mr. QUAYLE, the name of the Senator from Mississippi [Mr. STENNIS] was added as a cosponsor of S. 2256, a bill to amend the Bilingual Education Act to make Federal financial assistance available for children of limited English proficiency without mandating a specific method of instruction, to encourage innovation at the State and local level through greater administrative flexibility, to improve program operations at the Federal level, and for other purposes.

S. 2270

At the request of Mr. SIMON, the names of the Senator from Nebraska [Mr. ZORINSKY], the Senator from Oklahoma [Mr. NICKLES], and the Senator from Minnesota [Mr. BOSCHWITZ] were added as cosponsors of S. 2270, a bill to amend the Immigration and Nationality Act to deter immigration-related marriage fraud and other immigration fraud.

S. 2308

At the request of Mr. LAUTENBERG, the name of the Senator from Pennsylvania [Mr. HEINZ] was added as a cosponsor of S. 2308, a bill to authorize the President of the United States to award congressional gold medals to Anatoly and Avital Shcharansky in recognition of their dedication to human rights, and to authorize the Secretary of the Treasury to sell bronze duplicates of those medals.

S. 2348

At the request of Mr. MOYNIHAN, the name of the Senator from Oklahoma [Mr. NICKLES] 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 name of the Senator from Hawaii [Mr. MATSUNAGA] was added as a cosponsor of S. 2381, a bill to revise the guaranteed loan limitation 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.

S. 2398

At the request of Mr. ROTH, the names of the Senator from North Dakota [Mr. ANDREWS], and the Senator from Pennsylvania [Mr. HEINZ] were added as cosponsors of 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.

SENATE JOINT RESOLUTION 134

At the request of Mr. BIDEN, the name of the Senator from Alabama [Mr. HEFLIN] was added as a cosponsor of Senate Joint Resolution 134, a joint resolution to designate "National Safety in the Workplace Week".

SENATE JOINT RESOLUTION 143

At the request of Mr. GORE, the name of the Senator from Arizona [Mr. GOLDWATER] was added as a cosponsor of Senate Joint Resolution 143, a joint resolution to authorize the Black Revolutionary War Patriots Foundation to establish a memorial in the District of Columbia at an appropriate site in Constitution Gardens.

SENATE JOINT RESOLUTION 314

At the request of Mr. QUAYLE, the names of the Senator from Arizona [Mr. DECONCINI], the Senator from Nebraska [Mr. EXON], and the Senator from Georgia [Mr. NUNN] were added as cosponsors of Senate Joint Resolution 314, a joint resolution to designate the week beginning July 27, 1986, as "National Nuclear Medicine Week".

SENATE JOINT RESOLUTION 326

At the request of Mr. WALLOP, the name of the Senator from Alabama [Mr. HEFLIN], was added as a cosponsor of Senate Joint Resolution 326, a joint resolution to proclaim May 21, 1986, as "Andrei Sakharov Honor and Freedom Day".

SENATE JOINT RESOLUTION 333

At the request of Mr. ANDREWS, the name of the Senator from Vermont [Mr. STAFFORD], the Senator from New York [Mr. MOYNIHAN], the Senator from New Jersey [Mr. LAUTENBERG], the Senator from Wisconsin [Mr. KASTEN], the Senator from Oregon [Mr. HATFIELD], and the Senator from California [Mr. CRANSTON] were added as cosponsors of Senate Joint Resolution 333, a joint resolution designating the week of May 18, 1986, through May 24, 1986, as "National Food Bank Week".

SENATE RESOLUTION 403

At the request of Mr. WARNER, the name of the Senator from Maryland [Mr. SARBANES] was added as a cosponsor of Senate Resolution 403, a resolution to express the sense of the Senate that the Federal Government should refund the part of the contributions which are made by certain officers and employees of the Federal Government to any retirement system for Federal Government officers and employees and which would not be made if the Federal Employees' Retirement Contribution Temporary Adjustment Act of 1983 had been extended.

SENATE CONCURRENT RESOLUTION 138—RELATING TO THE FARM CREDIT SYSTEM

Mr. DOLE (for himself, Mr. NICKLES, Mr. QUAYLE, Mr. HELMS, Mr. ZORINSKY, Mr. ABDNOR, Mr. MELCHER, Mr. GRASSLEY, Mr. BAUCUS, Mrs. HAWKINS, Mr. BURDICK, Mr. MATTINGLY, Mr. FORD, Mr. SYMMS, Mr. HOLLINGS, Mr. HATCH, Mr. LEVIN, Mr. DENTON, Mr. BENTSEN, Mr. MCCONNELL, Mr. LEAHY, Mrs. KASSEBAUM, Mr. BOREN, Mr. COCHRAN, Mr. HEFLIN, Mr. BOSCHWITZ, Mr. DIXON, Mr. WILSON, Mr. SIMON, Mr. DANFORTH, Mr. DOMENICI, Mr. MCCLURE, Mr. DURENBERGER, Mr. THURMOND, Mr. WALLOP, Mr. LUGAR, Mr. KASTEN, Mr. PRESSLER, Mr. GORTON, Mr. ARMSTRONG, Mr. ROTH, Mr. NUNN, Mr. HATFIELD, Mr. RIEGLE, Mr. SIMPSON, Mr. EVANS, Mr. EXON, Mr. PACKWOOD, Mr. EAGLETON, Mr. DECONCINI, Mr. GOLDWATER, Mr. BUMPERS, Mr. TRIBLE, Mr. ANDREWS, Mr. PRYOR, Mr. EAST, Mr. SASSER, Mr. LAXALT, Mr. GRAMM, Mr. GARN, and Mr. GORE) submitted the following concurrent resolution; which was referred to the Committee on Agriculture, Nutrition, and Forestry:

S. CON. RES. 138

Resolved by the Senate (the House of Representatives concurring), That it is the sense of Congress that—

(1) The institutions of the Farm Credit System should pursue a policy of attempting to assist their member/borrowers who face unusual financial difficulties by providing additional time to resolve those problems while continuing to carry out the intent of Congress to maintain a viable credit delivery system.

(2) Each Farm Credit System institution should—

(A) participate to the maximum extent possible with Farmers Home Administration and other Government guarantee programs in order to provide credit to eligible borrowers who otherwise will not be able to qualify for operating loans in the spring of 1986;

(B) pursue a policy of forebearance under which System institutions will stay with a borrower so long as there appears to be a reasonable possibility that the farmer can work out of financial difficulties and reestablish a fully viable farm business;

(C) develop and use loan restructuring programs that will provide means for the adjustment of the interest and principal payment terms of loan contracts to enable borrowers to adequately and totally service the obligations;

(D) emphasize loan servicing approaches that will benefit borrowers who are cooperating with the lender and making an honest effort to meet the conditions of their loan contracts;

(E) resort to foreclosure only when the net cost to the institution as a result of the foreclosure would be less than the cost associated with restructuring or making concessionary adjustments on loans, and when there is no reasonable alternative course of action remaining for the institution;

(F) assure that eligible borrowers and family members of defaulting borrowers are made aware of, and offered the opportunity to participate in, bidding on property subject to foreclosure action by the institution; and

(G) administer its policy of staying with farmers in difficult times, while recognizing the need to follow sound credit practices that protect the financial interests of all shareholders of the cooperative institutions and maintain the good reputation that

Farm Credit System securities have in the financial market so as to assure the System's ability to raise loan funds for American agriculture.

(3) The term "cost of foreclosure" included, but is not limited to—

(A) the difference between the outstanding amount of principal due on a loan made by an institution and the value of collateral used to secure the loan, taking into consideration the lien position of the institution;

(B) the estimated cost of maintaining a loan as a nonperforming asset;

(C) the estimated cost of administrative and legal actions necessary to foreclose a loan and dispose of property acquired as the result of the foreclosure;

(D) the estimated adverse impact of the sale of property acquired as the result of a loan foreclosure on the value of property held by other borrowers of institutions;

(E) the estimated cost of changes in the value of collateral used to secure a loan during the period beginning on the date of the initiation of action to foreclose or liquidate the loan and ending on the date of the disposition of the collateral; and

(F) all other costs incurred as the result of the foreclosure or liquidation of a loan.

(4) The Farm Credit Administration should adopt flexibility in the administration of its regulatory policies similar to the approach announced by other Federal financial regulators in dealing with commercial agricultural banks.

Mr. DOLE. Mr. President, I am submitting today a concurrent resolution calling on member institutions of the Cooperative Farm Credit System to take all possible steps to continue to provide financial assistance to their farm borrowers, many of whom are facing severe financial difficulties. The concurrent resolution also asks the Farm Credit Administration to exercise forbearance in its regulatory policies, similar to the approach announced several weeks ago by Federal regulators for commercial agricultural lenders.

I am particularly pleased to be joined in this initiative by a broad and bipartisan group of 60 Senators including most Senators from agricultural States. I have attempted for several weeks to obtain unanimous consent to consider the concurrent resolution, but have been advised there are objections on the Democratic side.

A number of the provisions of this resolution were called to my attention by the distinguished Senator from Oklahoma (Senator NICKLES) and the distinguished Senator from Indiana (Mr. QUAYLE). Both Senators have been actively involved in developing proposals to ensure more liberal treatment of farm credit system member/borrowers. The so-called minimum cost or loss minimization provision, developed by Senator NICKLES, is a particularly important concept. Language in the Nickles resolution defining the "cost of foreclosure" has accordingly been incorporated into this resolution.

I would also indicate my understanding that, in its present form, this resolution is acceptable to the administration. In addition, I intend to ask nominees to the Farm Credit Administration Board to endorse these provisions.

PROVISIONS OF THE RESOLUTION

The resolution expresses the sense of Congress that Farm Credit System institutions should take specific actions to help their farm borrowers through the current period of high indebtedness and tight cash-flow. These actions include the following:

First, participating to the maximum extent possible in Farmers Home and other Government guarantee programs to provide credit to borrowers who will otherwise not qualify for operating loans for planting 1986 crops;

Second, following forbearance policies of staying with a borrower as long as there is a reasonable possibility of the farmer working out of financial difficulties;

Third, using loan restructuring programs that provide for adjustment in principal and interest payments to enable borrowers to service their obligations;

Fourth, emphasizing loan servicing approaches that help borrowers who make an honest effort to meet contract conditions;

Fifth, restructuring and making concessionary adjustments on loans if the cost of doing so to the institution is less than the cost of foreclosing, and there is no reasonable alternative course of action;

Sixth, assuring that eligible borrowers and family members of defaulting borrowers have the opportunity to bid on property subject to foreclosure; and,

Seventh, administering the above policies while recognizing the need to follow sound credit practices that protect the interest of shareholders and maintain the second reputation of Farm Credit System securities in the financial markets.

Finally, Mr. President, this resolution calls on the Farm Credit Administration to adopt flexibility in its regulatory policies, similar to the agreement announced by the other Federal Regulators in dealing with commercial agricultural banks. An increased, but still responsible level of forbearance is vital if member institutions of the Farm Credit System are to stay with their borrowers.

Mr. President, I hope that both the Farm Credit System and the Farm Credit Administration will use the provisions of this concurrent resolution as guidelines for helping farmer/borrowers out of their current problems.

APPLICATION TO OTHER FARM LENDERS

I would add that it is not the intention of the sponsors of this resolution to single out the Farm Credit System as the only agricultural lender which needs to increase efforts to stay with its borrowers. Other farm lenders must also be encouraged to take up their share of this important responsibility. The role of private commercial banks and other lenders are covered in the so-called farm and energy bank bill, sponsored by the distinguished chairman of the Banking Committee, Senator GARN. In the interest of avoiding jurisdictional problems, this legislation has been kept separate. There is no question, however, that the issues are interrelated, and that similar actions are needed among non-System as well as System lenders.

CONCLUSION

Most of my colleagues know that we are not going to solve the farm credit crisis by legislating new credits or cash outlays. Even if we had the money, which we do not, we would only be repeating and exacerbating costly mistakes of past years. What is truly needed today is a clear and firm commitment on the part of Government, on the part of Farm Credit System institutions, and on the part of their member/borrowers, that we must all play a role in finding a responsible solution. Only by accepting this responsibility, rather than passing the buck—or asking for it—can U.S. agriculture turn its present difficulties around and look toward a brighter and more prosperous future.

Mr. HELMS. Mr. President, I support this resolution expressing the sense of Congress that Farm Credit System institutions take certain actions to assist financially stressed borrowers.

Mr. President, let me first point out that the Federal Farm Credit System, though chartered by the Congress and authorized to carry out various functions by subsequent congressional acts, is entirely a private-sector entity, owned by its member borrowers—the farmers themselves.

Neither the operations of the Farm Credit System nor those of its regulatory body, the Farm Credit Administration, are dependent on the annual appropriation of taxpayers' dollars. Instead, the Farm Credit Administration annually receives authorization from the Congress to tap the operating revenues of the Farm Credit System to conduct its oversight functions.

However, Mr. President, the burden of imprudent management decisions by the Farm Credit System and the Farm Credit Administration would, by virtue of the Federal Government's backing of the Farm Credit System, partly fall on the American taxpayer. For that reason, the Congress has a legitimate interest in oversight of the managerial practices of the Farm Credit System.

I commend the majority leader for his effort to bring forward this nonbinding resolution encouraging good judgment by the Farm Credit System's institutions and forebearance, whenever possible. It provides the Farm Credit System a signal from the Congress to exercise this judgment

and forebearance, while giving the System the flexibility to adjust its standards to best meet the needs of individual member borrowers.

While I support this nonbinding resolution to provide the Farm Credit System the impetus to implement many of these policy changes, I would strongly oppose legislation mandating the categorical adoption of these procedures across the entire Farm Credit System. Any effort by the Farm Credit System to engage in uneconomic, unjustified banking practices can only damage the financial position of the farmer-member borrowers who own the system.

Mr. President, by adopting this resolution, we can provide the Farm Credit Administration the appropriate oversight guidance to make necessary changes in their forebearance policies, without unduly interfering with the operations of the Farm Credit System's institutions.

● Mr. QUAYLE. Mr. President, today, along with several of my colleagues in the Senate, I am joining Senator DOLE in introducing a concurrent resolution that urges the Farm Credit System, our Nation's largest farm lender, to use forbearance in dealing with borrowers under financial stress.

The purpose of this resolution is to send a clear message to the Farm Credit System, the Farm Credit Administration, and the new Farm Credit System Capital Corporation: It is the sense of the Congress that the Farm Credit System should use every available means within the guidelines of sound lending practices to work with borrowers who may be delinquent, yet able to service restructured debt terms.

In addition, I want to express my sincere alarm over the delay we have experienced in naming the third and final member of the new Farm Credit Administration Board of Directors. It is my understanding that two members have been chosen by the President: Assistant Secretary of Agriculture Frank Naylor, an individual of tremendous experience and competence, who has been named to serve as the FCA Board's Chairman, and Marvin Duncan, currently Senior Director at the Farm Credit Administration and a past vice president of the St. Louis Federal Reserve Board. I understand that Senator HELMS will hold confirmation hearings on the two appointees tomorrow before the Committee on Agriculture.

While I can certainly appreciate the difficulty of locating another board member of equal talents and the need to examine the qualifications of possible candidates closely, I cannot overemphasize the need to finalize the appointment and confirmation process required by the Farm Credit Amendments Act. This is vital if the System and its various institutions, under the supervision of the Farm Credit Administration, are to move forward with the timely implementation of the act and with the objectives of this resolution. I am frankly disturbed by the evident lack of attention that has been paid to the important and timely task of nominating these board members. It is worth noting that the Farm Credit Amendments Act stated the sense of the Congress that "the President should ensure that the members of the Farm Credit Administration Board constituted under section 201(1) are appointed not later than 30 days after enactment of this act." We must encourage the President to act swiftly in completing his choices so that the Senate can confirm them.

It is for this reason that I initiated an April 18 letter to President Reagan signed by all eight Senators representing the fourth farm credit district, comprised of Indiana, Kentucky, Ohio, and Tennessee. In that letter, we encouraged the President to act expeditiously to appoint his third and final nominee to the Farm Credit Administration Board of Directors.

The statement of congressional intent provided in this concurrent resolution is needed now to clarify the provisions of the Farm Credit Admendments Act passed by this Congress in December. Over 3 months later, that legislation has yet to be fully implemented, and it appears that the scope of the System's reorganization, along with unacceptable delays in the appointment of System leadership, has resulted in confusion and a further deterioration of the System's portfolio.

For example, in my home State of Indiana, which is served by the fourth farm credit district, the number and value of loans outstanding continue to decline. A comparison of first quarter 1986 statistics with those of 1 year ago clearly illustrates the deterioration of the district's portfolio. In Indiana, Federal land bank loans as of March 31, 1986 were valued at $1.252 billion, down from $1.799 billion a year earlier. While the total number of outstanding Federal land bank loans to Indiana farmers stood at 22,966 as of March 31, 1985, a year later that number had fallen to 19,722.

A similar decline has been experienced by the Production Credit Associations, where there were 11,446 outstanding loans valued at $380 million to Indiana farmers on March 31, 1985, but 9,530 PCA loans worth $233 million to Hoosier borrowers on March 31 of this year. As a result of this erosion in the value of its loan portfolio, the forth district Federal land bank may be forced to borrow from the Farm Credit System Capital Corporation this year.

The need for this congressional call for forbearance on the part of the Farm Credit System is unmistakable. Recent lending practices by System institutions reflect an attempt to cull from its books borrowers with inadequate capital, regardless of the condition of the borrower, his management capabilities or his ability to repay a restructured loan. Understandably, the System is doing so in an attempt to adhere to the strong mandate delivered by Congress in the Farm Credit Amendments Act. That legislation, which I cosponsored, was designed to bring about more accurate and timely reporting of the System's financial condition, intersystem and Federal financial assistance and guidance through the development of the Farm Credit System Captial Corporation and a strengthened role for the Farm Credit Administration.

Clearly, the December Farm Credit System legislation was productive and timely. Its objectives are sound ones that I strongly support. The merit of that legislation is not at issue here, but the short-term impact of that legislation is certainly in question. If the effect of the legislation has been to discourage System lenders from working in a commonsense fashion with viable borrowers who may be experiencing difficulties, then we have a responsibility to correct this interpretation by further defining our intent.

Specifically, a balance needs to be struck between inappropriate lending practices that result in a threat to the financial stability of the System, and the other extreme, which results in long-term borrowers of the System being denied credit, or being foreclosed upon prior to the examination of alternative options. In no way should such practices threaten the health of a specific lender or the System in general.

I believe the implementation of more standardized accounting methods, along with strict reporting and FCA oversight brought about by the legislation passed last December, will facilitate a prudent forbearance policy. The ability to assess more accurately and specifically a bank's financial condition will allow the System institutions to work with borrowers in the restructuring of nonperforming debts, without necessarily threatening the bank's viability. The Farm Credit System Capital Corporation will serve as the agent for this purpose, as well as for other important functions.

Another provision in this resolution calls on the System to participate to the extent possible in the Farmers Home Administration guarantee programs. I feel strongly that the System should participate in this program more actively. Commercial lenders, after a period of resistence, are now beginning to take part in the debt adjustment and guarantee program, yet the level of participation by Farm

Credit System banks has been noticeably low.

Because Federal assistance to the System may be necessary, the Farm Credit System has an obligation to its stockholder/borrowers and to the U.S. taxpayers to participate in the guarantee program where practical. By participating in the guarantee programs, the System can limit the risk of a portion of its portfolio, while providing ongoing credit to borrowers who would not otherwise be eligible for credit.

In summary, Mr. President, I believe that this concurrent resolution, demonstrating congressional interest and calling for changes in the lending practices of the Farm Credit System, is constructive and necessary. I hope that my colleagues will unanimously approve this resolution, and in so doing, clarify the intent of Congress with regard to the important issue of agricultural credit.

I again thank the majority leader and my colleagues for their efforts in developing this resolution, and would ask my colleagues to vote in favor of its passage when it is considered before the Senate.

Mr. President, I ask unanimous consent that a copy of my letter of April 18 to President Reagan concerning the nomination of the third and final Farm Credit Administration Board member be included in the RECORD immediately following my remarks.

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

UNITED STATES SENATE,
Washington, DC, April 18, 1986.

The Honorable RONALD REAGAN,
President of the United States,
The White House,
Washington, DC.

DEAR MR. PRESIDENT: As you know, the Farm Credit Amendments Act of 1985, which you signed into law on December 23, 1985, called for the timely appointment and Senate confirmation of a three-member, full-time board to regulate the restructured Farm Credit System. As U.S. Senators for the four States that comprise the Fourth Farm Credit District, we are writing to urge you to act expeditiously to appoint your third and final nominee to the Farm Credit Administration Board of Directors.

While we are aware that you have selected two appointees, Under Secretary of Agriculture, Frank W. Naylor, Jr., and Farm Credit Administration Senior Director Marvin Duncan, it is critical that the third Board member be nominated immediately to enable the Farm Credit Administration to act in a timely manner on matters crucial to the farmer/borrowers of the Fourth Farm Credit District and the rest of the System's borrowers. Further delay in naming the final member of the Farm Credit Administration Board member will only exacerbate the difficulties facing the Farm Credit System as a result of the problems in our farm economy, which Congress sought to address in enacting substantial reform of the System and its regulator late last year.

Without the prompt appointment and Senate confirmation of all three Board members, the Farm Credit Administration and the Farm Credit System, our Nation's largest single farm lender, cannot adequately carry out the will of Congress concerning lending and accounting practices, forbearance regulations, bank mergers, System-wide financial assistance and the formation of the Farm Credit Capital Corporation. Frankly, because of the delay in the naming of the full Farm Credit Administration Board, the transition to the reformed Farm Credit System approved by Congress four months ago has been stymied, and this has taken a serious toll on the System and many of its farmer/borrowers.

We fully understand that it is not an easy task to locate an individual with the experience and character needed to perform the duties and carry out the responsibilities of a Farm Credit Administration Board member. But we must emphasize that further delay in the appointment of the full Farm Credit Administration Board will have a direct and deleterious impact on the economic well-being of the Farm Credit System, its farmer/borrowers and the U.S. farm economy.

On behalf of the stockholder/borrowers of the Fourth Farm Credit District and the rest of the Farm Credit System, we thank you in advance for your immediate attention to this matter.

Sincerely,

Mitch McConnell, Richard G. Lugar, Albert Gore, Jr., Howard Metzenbaum, Dan Quayle, John Glenn, James R. Sasser, Wendell H. Ford.●

SENATE CONCURRENT RESOLUTION 139—LIMITING THE PRIVILEGE OF CONGRESSIONAL FRANKED MAIL

Mr. QUAYLE submitted the following concurrent resolution; which was considered and agreed to.

S. CON. RES. 138

SEC. 1. The total amount which may be incurred by a Member of Congress for official mail costs for any fiscal year (beginning with fiscal year 1987), shall not exceed the amount allocated to such Member for such fiscal year or period, as the case may be, in accordance with this subsection.

Not later than September 30 of each year (beginning in 1986) the Committee on Rules and Administration of the Senate, with respect to Senators, and the Committee on House Administration of the House of Representatives, with respect to Members of the House of Representatives, shall, for the fiscal year beginning on October 1 of such year (beginning with fiscal year 1987)—

"(i) determine, in accordance with this subsection, the allocation of official mail costs for each Senator or each Member of the House of Representatives, as the case may be, for such fiscal year; and

"(ii) provide written notice to each Senator or each Member of the House of Representatives, as the case may be, of the allocation of such Senator or Member of the House of Representatives under this subsection for such fiscal year.

"(3) The allocation of each Member of Congress under this section for a fiscal year (beginning with fiscal year 1987) shall be determined as follows:

"(A) The total amount to be allocated for official mail costs for all Members of Congress for a fiscal year shall be the amount which is equal to the difference between—

"(i) the total amount appropriated under section 3216(a) of this title for such fiscal year, minus

"(ii) the product of the amount described in clause (i) of this subparagraph multiplied by 5 percent.

"(B) The allocation of a Senator under this subsection for a fiscal year shall be an amount which is equal to the product of—

"(i) one-half of the amount determined for such fiscal year under subparagraph (A), multiplied by

"(ii) the ratio that the population of the State represented by the Senator bears to the population of all States, multiplied by

"(iii) 50 percent.

"(C) The allocation of each Member of the House of Representatives under this subsection for a fiscal year shall be equal to the quotient obtained by dividing one-half of the amount determined for such fiscal year under subparagraph (A) by the total number of Members of the House of Representatives.

"(5)(A) In any case in which a Member of Congress is defeated in an election, the allocation of such Member under this subsection for the fiscal year or period in which the term of office of such Member ends shall be divided between such Member and the Member-elect to the office of such Member in proportion to the number of months that such Member and such Member-elect hold such office during such fiscal year or period.

"(B) In any case in which there is a vacancy in the office of a Member of Congress, the allocation of such Member under this subsection for the fiscal year or period in which such vacancy occurs shall be divided between such Member and the successor in office to such Member in proportion to the number of months that such Member and such successor hold such office during such fiscal year or period.

"(6) Not later than 10 days after the date of enactment of this subsection, the Committee on Rules and Administration of the Senate, with respect to Senators, and the Committee on House Administration of the House of Representatives, with respect to Members of the House of Representatives, shall prescribe rules and procedures to ensure that Senators and Members of the House of Representatives, as the case may be, comply with the provisions of this subsection.

"(8) Not later than 15 days after the end of each quarter of a fiscal year, the Committee on Rules and Administration of the Senate, with respect to Senators, and the Committee on House Administration of the House of Representatives, with respect to Members of the House of Representatives, shall make available to the public a statement specifying—

"(A) the amount of official mail costs incurred by each Senator or each Member of the House of Representatives, as the case may be, during such quarter; and

"(B) in the case of—

"(i) fiscal year 1987 and each succeeding fiscal year, the allocation of each Senator or each Member of the House of Representatives, as the case may be, under this subsection for such fiscal year; or

"(9) For purposes of this section, the term 'official mail costs' means the equivalent of—

"(A) postage on, and fees and charges in connection with, mail matter sent through the mails under the franking privilege; and

"(B) those portions of the fees and charges to be paid for handling and delivery

by the Postal Service of Mailgrams considered as franked mail under section 3219 of this title.".

SENATE RESOLUTION 407—FAVORING A TAX DIFFERENTIAL FOR LONG-TERM CAPITAL GAINS

Mr. CRANSTON submitted the following resolution; which was referred to the Committee on Finance:

S. RES. 407

Whereas, the availability of venture capital is critical to the needs of small business ventures whose owners cannot obtain loans from traditional sources of financing; and

Whereas, small businesses provide the greatest numbers of new jobs; and

Whereas, many promising new technologies first are developed commercially by small enterprises; and

Whereas, technological leadership is one of this nation's most important resources; and

Whereas, the vital high technology sector is unusually dependent upon infusions of outside risk capital to meet intensively competitive markets; and

Whereas, the tax reform experiment of 1969 erased a significant differential between capital gains tax rates and ordinary income tax rates; and

Whereas, the flow of risk capital to high technology companies dwindled from $1.6 billion in 1969 to less than $37 million in 1977; and

Whereas, many high technology companies were forced to sell their technology to foreign competitors in order to raise capital; and

Whereas, the Congress in 1978 recognizing the seriousness of the drought of venture capital enacted the Capital Gains Reduction Act of 1978 to lower the rate on long-term gains from a possible maximum of 49% to 28%, thereby providing a meaningful differential for longterm capital investments; and

Whereas, venture capital investment increased dramatically in two years to over $1 billion and exceeded $4 billion in 1984; and

Whereas, the Joint Economic Committee of the Congress in 1984 studied the effect of the reduction in capital gains tax rates since 1978, and concluded, "The capital gains tax differential was, and continues to be, a major factor behind the post 1978 surge in venture capital availability"; and

Whereas, since 1978, the electronics industry has created over one million new jobs; and

Whereas, the availability of venture capital to small businesses has declined in the past year; and

Whereas, the pressure of international competition is driving up the demand for outside risk capital; and

Whereas, the experience of the 1970's has shown the potential harm done to risk investment by eliminating the capital gains differential from our tax system; and

Whereas, wisdom suggests we ought to learn the lessons of history: Therefore, be it

Resolved, It is the sense of the Senate that appropriate tax treatment for long-term capital gains investments should be incorporated into tax reform legislation and, that this can be accomplished by one or both of the following measures:

(1) a meaningful differential for longterm capital gains; or,

(2) proper indexation of invested assets to account for inflation.

AMENDMENTS SUBMITTED

DRUG EXPORT LEGISLATION

METZENBAUM AMENDMENT NO. 1955

Mr. METZENBAUM proposed an amendment to the bill (S. 1848) to amend the Federal Food, Drug, and Cosmetic Act to establish conditions for the export of drugs; as follows:

At the end of the bill, add the following:

SEC. 9. (a) Within 6 months after the date of enactment of this Act, the Director of the Office Technology Assessement shall prepare and transmit to the Congress a report containing the findings and conclusions of the study required by subsection (b).

(b) The Director of the Office of Technology Assessement shall conduct a study on the labeling of drugs sold in the United States and the labeling of drugs sold by United States manufacturers in the foreign countries specified in subsection (c). The study shall—

(1) compare—

(A) the labeling approved for drugs under the Federal Food, Drug, and Cosmetic Act or the Public Health Service Act;

(B) the labeling approved by the governments of the countries specified in section 4 of this Act for drugs sold by United States manufacturers; and

(C) the labeling used for drugs sold by United States manufacturers in the foreign countries specified in subsection (c);

(2) analyze, in the case of a drug which is approved for use in the United States—

(A) whether there are any differences between the labeling approved for the drug in the United States and the labeling used for the drug in the foreign countries specified in subsection (c); and

(B) in the case of any such differences, whether such differences are based on valid scientific evidence, including clinical trials;

(3) analyze, in the case of a drug which is sold by a United States manufacturer and which is not approved for use in the United States—

(A) whether there are any differences between the labeling approved for the drug by the governments of the countries specified in section 4 of this Act and the labeling used for the drug in the foreign countries specified in subsection (c);

(B) in the case of any such differences, whether such differences are based on valid scientific evidence, including clinical trials; and

(C) whether the labeling of the drug used in the foreign countries specified in subsection (c) is based on valid scientific evidence, including clinical trials.

(c) The study required by this section shall include an analysis of the labeling of drugs in the following countries:

Chile.
Egypt.
Greece.
Malaysia.
Mexico.
Nigeria.
Panama.
South Korea.
Tanzania.
Thailand.
Turkey.

Any other country which the Director of the Office of Technology Assessment considers appropriate and which is not a country specified in section 4 of this Act.

(d) The Secretary of State shall assist the Director of the Office of Technology Assessment in conducting the study required by this section by obtaining, through United States embassies in the countries with respect to which the study is conducted, the labeling of drugs sold in such countries by United States manufacturers.

(e) For purposes of this section:

(1) The term "drug" means—

(A) a drug (as such term is defined in section 201(g) of the Federal Food, Drug, and Cosmetic Act);

(B) an antibiotic subject to section 507 of such Act; and

(C) a biological product subject to section 351 of the Public Health Service Act.

(2) The term "labeling" has the same meaning as is prescribed by section 201(m) of the Federal Food, Drug, and Cosmetic Act, except for purposes of this section, such term only includes the parts of the labeling which relate to indications for use, contraindications, warnings, and adverse reactions.

GORE (AND OTHERS) AMENDMENT NO. 1956

Mr. GORE (for himself, Mr. HEINZ, Mr. METZENBAUM, Mr. SIMON, and Mr. HATCH) proposed an amendment to the bill S. 1848, supra; as follows:

At the end, add the following:

SEC. 9. (a) There is established in the Department of Health and Human Services the Food and Drug Administration (hereinafter in this subsection referred to as the "Administration"). The Administration shall be headed by a Commissioner of Food and Drugs (hereinafter in this section referred to as the "Commissioner"). The Commissioner shall be appointed by the President by and with the advice and consent of the Senate and shall serve at the pleasure of the President. The Administration shall be administered under the supervision and direction of the Commissioner. The Commissioner shall, in consultation with the Secretary of Health and Human Services (hereinafter in this section referred to as the "Secretary") appoint a Deputy Commissioner and such Associate Commissioners and Directors of functional centers, bureaus, and other administrative units as shall be needed for the effective and efficient discharge of the authorities and functions administered by the Commissioner.

(b)(1) Except as otherwise provided in this subsection, there are transferred to, and vested in, the Commissioner all of the authorities and functions delegated to the Commissioner or to the Assistant General Counsel of the Food and Drug Division by section 5.10 of title 21, Code of Federal Regulations, as of the date of enactment of this Act, without regard to any reservation prescribed by section 5.11 of title 21, Code of Federal Regulations. The office of the Assistant General Counsel of the Food and Drug Division of the Office of General Counsel within the Office of the Secretary is transferred to the Food and Drug Administration and redesignated the Office of Chief Counsel. The Secretary may delegate to the Commissioner such additional authorities and functions as the Secretary deems appropriate.

(2) The Secretary may require the Commissioner to notify the Secretary of any decisions of the Commissioner which—

(A) establish procedural rules applicable to a general class of foods, drugs, cosmetics, medical devices, or other subjects of regulation; or

(B) present highly significant public issues involving the quality, availability, marketability, or cost of one or more foods, drugs, cosmetics, medical devices, or other subjects of regulations.

(c) The provisions of the third sentence of subsection (a) shall apply to any individual appointed to the position of Commissioner of Food and Drugs after the date of enactment of this Act.

(d)(1) Section 5316 of title 5, United States Code, is amended by striking out the item relating to the Commissioner of Food and Drugs, Department of Health and Human Services.

(2) Section 5315 of such title is amended by adding at the end thereof the following new item:

"Commissioner of Food and Drugs, Department of Health and Human Services".

METZENBAUM AMENDMENT NO. 1957

Mr. METZENBAUM proposed an amendment to the bill S. 1848, supra; as follows:

On page 24, line 21, strike out "and".

On page 25, between lines 21 and 22, insert the following:

"(III) to obtain adequate information concerning drugs, including information concerning the legal status of drugs in the United States; and

On page 25, line 22, strike out "(III)" and insert "(IV)".

OFFICIAL MASS MAILINGS

HUMPHREY AMENDMENT NO. 1958

Mr. HUMPHREY proposed an amendment to the resolution (S. Res. 374) limiting the amount that may be expended by Senators for mass mailings during the remainder of fiscal year 1986; as follows:

At the appropriate place, insert the following new section:

SEC. ——. Section 23 of Senate Resolution 353 of the Ninety-ninth Congress (as agreed to by the Senate on March 13, 1986) is amended—

(1) by striking out in subsection (a)(2) "adoption of this resolution" and inserting in lieu thereof "May 14, 1986";

(2) by amending subsection (c) to read as follows: "(c) None of the funds may be obligated from the contingent fund of the Senate to carry out any provision of this section on or after a date 30 days after the date on which the report described in subsection (a)(2) is submitted.".

NOTICES OF HEARINGS

SUBCOMMITTEE ON PUBLIC LANDS, RESERVED WATER, AND RESOURCE CONSERVATION

Mr. WALLOP. Mr. President, I would like to announce for the information of the Senate and the public the rescheduling of a hearing before the Subcommittee on Public Lands, Reserved Water and Resource Conservation of the Committee on Energy and Natural Resources from May 19, to June 12, 1986, at 9:30 a.m. in room SD-366 of the Senate Dirksen Office Building, Washington, DC 20510. Testimony will be received on the following measures: S. 2204, to amend the Land and Water Conservation Fund Act of 1965, as amended, to permit the use of park entrance, admission and recreation use fees for the operation of the National Park System, and for other purposes; and S. 2130, to preserve, protect, and revitalize the National Park System.

Those wishing to testify should contact the Subcommittee on Public Lands, Reserved Water and Resource Conservation of the Committee on Energy and Natural Resources, room SD-308, Dirksen Senate Office Building, Washington, DC 20510. Oral testimony may be limited to 3 minutes per witness. Written statements may be longer. Witnesses may be placed in panels, and are requested to submit 25 copies of their testimony 24 hours in advance of the hearing, and 50 copies on the day of the hearing.

For further information, please contact Patty Kennedy or Tony Bevinetto of the subcommittee staff at (202) 224-0613.

COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

Mr. HELMS. Mr. President, I wish to announce that the Committee on Agriculture, Nutrition, and Forestry has scheduled a full committee hearing to consider the nominations of Hon. Peter C. Myers, of Missouri, to be Deputy Secretary of Agriculture and Christopher Hicks, of Maryland, to be General Counsel, U.S. Department of Agriculture.

The hearing will begin at 10 a.m., Wednesday, May 21, 1986, in 332 Russell Senate Office Building.

For further information please contact Warren Oxford or Terry Wear at 224-2035.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON GOVERNMENTAL AFFAIRS

Mr. WEICKER. Madam President, I ask unanimous consent that the Committee on Governmental Affairs be authorized to meet during the session of the Senate on Wednesday, May 14, to continue the hearing on S. 2232, Federal Management Reorganization and Cost Control Act of 1986; and S. 2141, the Loan Accounting Reform and Deficit Reduction Act of 1986.

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

SELECT COMMITTEE ON INTELLIGENCE

Mr. WEICKER. Madam President, I ask unanimous consent that the Select Committee on Intelligence be authorized to meet during the session of the Senate on Wednesday, May 14, in closed session, to mark up the fiscal year 1987, intelligence authorization.

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

COMMITTEE ON THE JUDICIARY

Mr. WEICKER. Madam President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate on Wednesday, May 14, in order to receive testimony concerning the following nominations:

Alan E. Norris, to be a U.S. circuit judge; David Hittner, to be a U.S. district judge; Alfred J. Lechner, to be a U.S. district judge, and Douglas P. Woodlock, to be a U.S. district judge.

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

COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS

Mr. WEICKER. Madam President, I ask unanimous consent that the Committee on Environment and Public Works be authorized to meet during the session of the Senate on Wednesday, May 14, 1986, in order to conduct a hearing on the GSA fiscal year 1987 building programs.

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

COMMITTEE ON ARMED SERVICES

Mr. WEICKER. Madam President, I ask unanimous consent that the Committee on Armed Services be authorized to meet during the session of the Senate on Wednesday, May 14, in executive session, to hold a discussion of the appropriations in excess of authorization.

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

SUBCOMMITTEE ON CIVIL SERVICE

Mr. WEICKER. Madam President, I ask unanimous consent that the Subcommittee on Civil Service, of the Committee on Governmental Affairs, be authorized to meet during the session of the Senate on Wednesday, May 14, 1986, in order to conduct a hearing on alternative pay legislation.

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

ADDITIONAL STATEMENTS

ALCOHOL, DRUG ABUSE, AND MENTAL HEALTH AMENDMENTS OF 1986

(By request of Mr. DOLE, the following statement was ordered to be printed in the RECORD:)

● Mrs. HAWKINS. Mr. President, yesterday, I introduced S. 2443, the "Alcohol, Drug Abuse, and Mental Health Amendments." Inadvertently, the bill's text was not printed in yesterday's RECORD following my introductory statement.

I ask that the bill's text be included in today's RECORD and that it be included in the permanent RECORD following the statement which appeared in yesterday's RECORD.

The text follows:

S. 2443

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 "Alcohol, Drug Abuse, and Mental Health Amendments of 1986".

REVISION AND REDESIGNATION OF ADAMHA

SEC. 2. (a) Section 501 of the Public Health Service Act (42 U.S.C. 290aa) is amended to read as follows:

"NATIONAL INSTITUTES ON ALCOHOL, DRUGS, AND MENTAL HEALTH

"SEC. 501. (a) The National Institutes on Alcohol, Drugs, and Mental Health (hereafter referred to in this title as the 'National Institutes') is an agency of the Service.

"(b)(1) The following national research institutes are agencies of the National Institutes:

"(A) The National Institute on Alcohol Abuse and Alcoholism.

"(B) The National Institute on Drug Abuse.

"(C) The National Institute of Mental Health.

"(2) For purposes of this title, the term 'national research institute' means a national research institute listed in paragraph (1). A reference to the National Institutes includes the national research institutes.

"(c)(1) The National Institutes shall be headed by an Administrator (hereafter in this title referred to as the 'Administrator') who shall be appointed by the President by and with the advice and consent of the Senate.

"(2) The Administrator, with the approval of the Secretary, may appoint a Deputy Administrator and may employ and prescribe the functions of such officers and employees, including attorneys, as are necessary to administer the activities to be carried out through the National Institutes.

"(d) The Secretary, acting through the Administrator—

"(1) shall supervise the functions of the National Institute of Mental Health, the National Institute on Alcohol Abuse and Alcoholism, and the National Institute on Drug Abuse in order to assure that the programs carried out through each such Institute receive appropriate and equitable support and that there is cooperation among the national research institutes in the implementation of such programs; and

"(2) shall assure that research at or supported by the National Institutes and each of the national research institutes is subject to review in accordance with section 507 and is in compliance with section 509.

"(e)(1) There shall be in the National Institutes an Associate Administrator for Prevention to whom the Administrator shall delegate the function of promoting the prevention research programs of the National Institute of Mental Health, the National Institute on Alcohol Abuse and Alcoholism, and the National Institute on Drug Abuse and coordinating such programs between the national research institutes and between the national research institutes and other public and private entities.

"(2) By January 1, 1988, and every 3 years thereafter, the Administrator, acting through the Associate Administrator for Prevention, shall submit to the Congress a report describing the prevention activities (including preventive medicine and health promotion) undertaken by the National Institutes, the National Institute of Mental Health, the National Institute on Alcohol Abuse and Alcoholism, and the National Institute on Drug Abuse. The report shall include a detailed statement of the expenditures made for the activities reported on and the personnel used in connection with such activities.

"(f) The Administrator shall establish a process for the prompt and appropriate response to information provided the Administrator respecting (1) scientific fraud in connection with projects for which funds have been made available under this Act, and (2) incidences of violations of the rights of human subjects of research for which funds have been made available under this Act. The process shall include procedures for the receiving of reports of such information from recipients of funds under this Act and taking appropriate action with respect to such fraud and violations.

"(g) The Secretary, acting through the Administrator, shall make grants to schools of the health professions and schools of social work to support the training of students in such schools in the identification and treatment of alcohol and drug abuse. Grants under this subsection shall be made from funds available under this title and section 303.

"(h) To educate the public with respect to the health hazards of alcoholism, alcohol abuse, and drug abuse, the Administrator shall take such actions as may be necessary to ensure the widespread dissemination of current publications of the National Institute on Alcohol Abuse and Alcoholism and the National Institute on Drug Abuse relating to the most recent research findings with respect to such health hazards.

"(i)(1) The Administrator may obtain (in accordance with section 3109 of title 5, United States Code, but without regard to the limitation in such section on the period of service) the services of not more than 20 experts or consultants who have scientific or professional qualifications. Such experts and consultants shall be obtained for the National Institutes and for each of the national research institutes.

"(2)(A) Experts and consultants whose services are obtained under paragraph (1) shall be paid or reimbursed for their expenses associated with traveling to and from their assignment location in accordance with sections 5724, 5724a(a)(1), 5724a(a)(3), and 5726(c) of title 5, United States Code.

"(B) Expenses specified in subparagraph (A) may not be allowed in connection with the assignment of an expert or consultant whose services are obtained under paragraph (1), unless and until the expert or consultant agrees in writing to complete the entire period of assignment or one year, whichever is shorter, unless separated or reassigned for reasons beyond the control of the expert or consultant that are acceptable to the Secretary. If the expert or consultant violates the agreement, the money spent by the United States for the expenses specified in subparagraph (A) is recoverable from the expert or consultant as a debt of the United States. The Secretary may waive in whole or in part a right of recovery under this subparagraph.

"(j) In carrying out this Act, the Administrator may accept voluntary and uncompensated services for the National Institutes and for each of the national research institutes.

"(k)(1) The Alcohol, Drug Abuse, and Mental Health Advisory Board (hereafter in this subsection referred to as the 'Board') shall—

"(A) periodically assess the national needs for alcoholism, alcohol abuse, drug abuse, and mental health services and the extent to which those needs are being met by State, local, and private programs and programs receiving funds under this title and part B of title XIX; and

"(B) provide advice to the Secretary and the Administrator respecting activities carried out under this title and part B of title XIX.

"(2)(A) The Board shall consist of 15 members appointed by the Secretary and such ex officio members from the National Institute on Alcohol Abuse and Alcoholism, the National Institute on Drug Abuse, and the National Institute of Mental Health as the Secretary may designate. Of the members appointed to the Board, at least 6 members shall represent State and private, nonprofit providers of prevention and treatment services for alcoholism, alcohol abuse, drug abuse, and mental illness, at least 6 members shall be individuals with expertise in public education and prevention services for alcoholism, alcohol abuse, drug abuse, and mental illness, and at least 3 members shall be appointed from members of the general public who are knowledgeable about alcoholism, alcohol abuse, drug abuse, and mental illness.

"(B) The term of office of a member appointed to the Board is 4 years, except that of the members first appointed to the Board—

"(i) 5 shall serve for terms of 1 year;

"(ii) 5 shall serve for terms of 2 years; and

"(iii) 5 shall serve for terms of 3 years,

as designated by the Secretary at the time of appointment. Any member appointed to fill a vacancy occurring before the expiration of the term for which the predecessor of such member was appointed shall be appointed only for the remainder of such term. A member may serve after the expiration of the member's term until the successor of the member has taken office.

"(3)(A) Except as provided in subparagraph (B), members of the Board shall (i) be paid not more than the daily equivalent of the annual rate of basic pay in effect for grade GS-18 of the General Schedule for each day (including travel time) during which they are engaged in the actual performance of duties vested in the Board, and (ii) while away from their homes or regular places of business and while serving in the business of the Board, be entitled to receive transportation expenses as prescribed by section 5703 of title 5, United States Code.

"(B) Members of the Board who are full-time officers or employees of the United States shall receive no additional pay, allowances, or benefits by reason of their service on the Board.

"(4) The Board may appoint such staff personnel as the Board considers appropriate.

"(5) The Secretary shall designate the chairman of the Board.

"(6) The Board shall meet at least 3 times each calendar year.

"(7) The Board shall report annually to the Committee on Energy and Commerce of the House of Representatives and the Committee on Labor and Human Resources of the Senate on its activities during the prior year and shall include in such report such recommendations for legislation and administrative action as it deems appropriate.".

(b)(1) The title heading for title V of the Public Health Service Act is amended to read as follows:

"TITLE V—NATIONAL INSTITUTES ON ALCOHOL, DRUGS, AND MENTAL HEALTH".

(2) The heading for part A of such title is amended to read as follows:

"PART A—ORGANIZATION".

(3) Section 506(d) of such Act (42 U.S.C. 290aa-5(d)) is amended by striking out "of the administration" in the first sentence.

(c)(1) The Alcohol, Drug Abuse, and Mental Health Administration is redesignated as the National Institutes on Alcohol, Drugs, and Mental Health, and the Administrator of the Alcohol, Drug Abuse, and Mental Health Administration or any other official of such Administration is redesignated the Administrator or official, as appropriate, of the National Institutes on Alcohol, Drugs, and Mental Health.

(2) Any reference to the Alcohol, Drug Abuse, and Mental Health Administration, the Administrator of Alcohol, Drug Abuse, and Mental Health Administration, or any other official of the Alcohol, Drug Abuse, and Mental Health Administration in any law, rule, regulation, certificate, directive, instruction, or other official paper in force on the date of enactment of this Act shall be deemed to refer and apply to the National Institutes on Alcohol, Drugs, and Mental Health or the Administrator or official, as appropriate, of the National Institutes on Alcohol, Drugs, and Mental Health, respectively.

ADVISORY COUNCILS

SEC. 3. (a) Part A of title V of the Public Health Service Act is amended by redesignating sections 505 and 506 as sections 506 and 507, respectively, and by inserting after section 504 the following new section:

"ADVISORY COUNCILS

"SEC. 505. (a)(1) The Secretary shall appoint an advisory council for the National Institute on Alcohol Abuse and Alcoholism, for the National Institute on Drug Abuse, and for the National Institute of Mental Health. Each such advisory council shall advise, consult with, and make recommendations to the Secretary and the Director of the national research institute for which it was appointed on—

"(A) matters relating to the activities carried out by and through the Institute and the policies respecting such activities; and

"(B) matters relating to activities carried out by the Secretary and the National Institutes respecting the disease, disorder, or other aspect of human health with which the advisory council is concerned.

"(2) Each advisory council for a national research institute may recommend to the Secretary acceptance, in accordance with section 2101, of conditional gifts for—

"(A) study, investigation, or research respecting the diseases, disorders, or other aspect of human health with respect to which the institute was established;

"(B) the acquisition of grounds for the institute; or

"(C) the construction, equipping, or maintenance of facilities for the institute.

"(3) Each advisory council for a national research institute—

"(A)(i) may on the basis of the materials provided under section 507(d)(2) respecting research conducted at the institute, make recommendations to the Director of the institute respecting such research;

"(ii) shall review applications for grants and cooperative agreements for research or training and for which advisory council approval is required under section 507(e)(2), and recommend for approval applications for projects which show promise of making valuable contributions to human knowledge; and

"(iii) may review any grant, contract, or cooperative agreement proposed to be made or entered into by the institute;

"(B) may collect, by correspondence or by personal investigation, information as to studies which are being carried on in the United States or any other country as to the diseases, disorders, or other aspect of human health with respect to which the national research institute was established and with the approval of the Director of the institute make available such information through appropriate publications for the benefit of public and private health entities and health professions personnel and scientists and for the information of the general public; and

"(C) may appoint subcommittees and convene workshops and conferences.

"(b)(1) Each advisory council shall consist of ex officio members and not more than 12 members appointed by the Secretary.

"(2) The ex officio members of an advisory council shall consist of—

"(A) the Secretary, the Administrator, the Director of the national research institute for which the advisory council is established, the Chief Medical Director of the Veterans' Administration, and the Assistant Secretary of Defense for Health Affairs (or the designees of such officers), and

"(B) such additional officers or employees of the United States as the Secretary determines necessary for the advisory council to effectively carry out its functions.

"(3) The members of an advisory council who are not ex officio members shall be appointed as follows:

"(A) Nine of the members shall be appointed by the Secretary from among the leading representatives of the health and scientific disciplines (including public health and the behavioral or social sciences) relevant to the activities of the national research institute for which the advisory council is established.

"(B) Three of the members shall be appointed by the Secretary from the general public and shall include leaders in fields of public policy, public relations, law, health policy, economics, and management.

"(4) Members of an advisory council who are officers or employees of the United States shall not receive any compensation for service on the advisory council. The other members of an advisory council shall receive, for each day (including travel time) they are engaged in the performance of the functions of the advisory council, compensation at rates not to exceed the daily equivalent of the annual rate in effect for grade GS-18 of the General Schedule.

"(c) The term of office of an appointed member of an advisory council is 4 years, except that any member appointed to fill a vacancy for an unexpired term shall be appointed for the remainder of such term and the Secretary shall make appointments to an advisory council in such manner as to ensure that the terms of the members do not all expire in the same year. A member may serve after the expiration of the member's term until a successor has taken office. A member who has been appointed for a term of 4 years may not be reappointed to an advisory council before 2 years from the date of expiration of such term of office. If a vacancy occurs in the advisory council among the appointed members, the Secretary shall make an appointment to fill the vacancy within 90 days from the date the vacancy occurs.

"(d) The chairman of an advisory council shall be selected by the Secretary from among the appointed members, except that the Secretary may select the Director of the national research institute for which the advisory council is established to be the chairman of the advisory council. The term of office of chairman shall be 2 years.

"(e) The advisory council shall meet at the call of the chairman or upon the request of the Director of the national research institute for which it was established, but at least 3 times each fiscal year. The location of the meetings of each advisory council is subject to the approval of the Director of the national research institute for which the advisory council was established.

"(f) The Director of the national research institute for which an advisory council is established shall designate a member of the staff of the institute to serve as the executive secretary of the advisory council. The Director of such institute shall make available to the advisory council such staff, information, and other assistance as it may require to carry out its functions. The Director of such institute shall provide orientation and training for new members of the advisory council to provide them with such information and training as may be appropriate for their effective participation in the functions of the advisory council.".

(b) Section 217 of the Public Health Service Act (42 U.S.C. 218) is amended—

(1) by striking out subsections (a), (b), (c), and (d);

(2) by striking out "(e)(1)" and inserting in lieu thereof "(a)";

(3) by striking out "(2)" and inserting in lieu thereof "(b)";

(4) by striking out "(3)" and inserting in lieu thereof "(c)";

(5) by striking out "(4)" and inserting in lieu thereof "(d)"; and

(6) by redesignating clauses (A) and (B) of subsection (c) (as redesignated by the amendment made by paragraph (4) of this subsection) as clauses (1) and (2), respectively.

PUBLIC HEALTH EMERGENCIES

SEC. 4. Part A of title V of the Public Health Service Act (as amended by section 3 of this Act) is further amended by adding at the end thereof the following:

"RESEARCH ON PUBLIC HEALTH EMERGENCIES

"SEC. 508. (a) If the Secretary determines, after consultation with the Administrator, the Commissioner of Food and Drugs, or the Director of the Centers for Disease Control, that a disease or disorder within the jurisdiction of a national research institute constitutes a public health emergency, the Secretary, acting through the Administrator—

"(1) shall expedite the review by advisory councils and by peer review groups of applications for grants for research on such disease or disorder or proposals for contracts for such research;

"(2) shall exercise the authority in section 3709 of the Revised Statutes (41 U.S.C. 5) respecting public exigencies to waive the advertising requirements of such section in the case of proposals for contracts for such research;

"(3) may provide administrative supplemental increases in existing grants and contracts to support new research relevant to such disease or disorder; and

"(4) shall disseminate, to health professionals and the public, information on the cause, prevention, and treatment of such

disease or disorder that has been developed in research assisted under this section.

The amount of an increase in a grant or contract provided under paragraph (3) may not exceed one-half the original amount of the grant or contract.

"(b) Not later than 90 days after the end of a fiscal year, the Secretary shall report to the Committee on Energy and Commerce of the House of Representatives and the Committee on Labor and Human Resources of the Senate on actions taken under subsection (a) in such fiscal year.".

RESEARCH AUTHORIZATION

SEC. 5. (a) Section 513 of the Public Health Service Act (42 U.S.C. 290bb-2) is amended to read as follows:

"AUTHORIZATIONS OF APPROPRIATIONS

"SEC. 513. There are authorized to be appropriated to carry out this subpart $69,000,000 for fiscal year 1987 and such sums as may be necessary for fiscal years 1988, 1989, 1990, and 1991.".

(b) Section 517 of the Public Health Service Act (42 U.S.C. 290cc-2) is amended to read as follows:

"AUTHORIZATIONS OF APPROPRIATIONS

"SEC. 517. There are authorized to be appropriated to carry out this subpart $83,000,000 for fiscal year 1987 and such sums as may be necessary for fiscal years 1988, 1989, 1990, and 1991.".

CHILD ABUSE REPORTING

SEC. 6. (a) Section 523(e) of the Public Health Service Act (42 U.S.C. 290dd-3(e)) is amended—

(1) by redesignating paragraphs (1) and (2) as subparagraphs (A) and (B), respectively;

(2) by inserting "(1)" before "The"; and

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

"(2) The prohibitions of this section do not apply to the reporting under State law of incidents of suspected child abuse and neglect to the appropriate State authorities.".

(b) Section 527(e) of such Act (42 U.S.C. 290ee-3(e)) is amended—

(1) by redesignating paragraphs (1) and (2) as subparagraphs (A) and (B), respectively;

(2) by inserting "(1)" before "The"; and

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

"(2) The prohibitions of this section do not apply to the reporting under State law of incidents of suspected child abuse and neglect to the appropriate State authorities.".

SUICIDE

SEC. 7. Section 501 of the Public Health Service Act (42 U.S.C. 290aa) (as amended by section 2 of this Act) is further amended—

(1) by redesignating subsection (k) as subsection (l); and

(2) by inserting after subsection (i) the following new subsection:

"(k)(1) The Secretary shall—

"(A) develop and publish information respecting the causes of suicide among individuals under the age of 21 and the means of preventing suicide among such individuals, and

"(B) make such information generally available to the public and health professionals.

"(2) By January 1, 1988, and every 3 years thereafter, the Secretary shall report to the Congress on the activities undertaken under paragraph (1) during the period reported on and shall include in each such report an assessment of the effectiveness of such activities.".

ANIMALS IN RESEARCH

SEC. 8. Part A of title V of the Public Health Service Act (as amended by section 4 of this Act), is further amended by adding at the end thereof the following new section:

"ANIMALS IN RESEARCH

"SEC. 509. (a) The Secretary, acting through the Administrator, shall establish guidelines for the following:

"(1) The proper care of animals to be used in research conducted by and through agencies of the National Institutes.

"(2) The proper treatment of animals while being used in such research. Guidelines under this paragraph shall require—

"(A) the appropriate use of tranquilizers, analgesics, anesthetics, paralytics, and euthanasia for animals in such research; and

"(B) appropriate pre-surgical and post-surgical veterinary medical and nursing care for animals in such research.

Such guidelines shall not be construed to prescribe methods of research.

"(3) The organization and operation of animal care committees in accordance with subsection (b).

"(b)(1) Guidelines of the Secretary under subsection (a)(3) shall require animal care committees at each entity which conducts research with funds provided under this title to assure compliance with the guidelines established under subsection (a).

"(2) Each animal care committee shall be appointed by the chief executive officer of the entity for which the committee is established, shall be composed of not fewer than 3 members, and shall include at least 1 individual who has no association with such entity and at least 1 doctor of veterinary medicine.

"(3) Each animal care committee of a research entity shall—

"(A) review the care and treatment of animals in all animal study areas and facilities of the research entity at least semiannually to evaluate compliance with applicable guidelines established under subsection (a) for appropriate animal care and treatment;

"(B) keep appropriate records of reviews conducted under subparagraph (A); and

"(C) for each review conducted under subparagraph (A), file with the Administrator at least annually (i) a certification that the review has been conducted, and (ii) reports of any violations of guidelines established under subsection (a) or assurances required under paragraph (1) which were observed in such review and which have continued after notice by the committee to the research entity involved of the violations.

Reports filed under subparagraph (C) shall include any minority views filed by members of the committee.

"(c) The Administrator shall require each applicant for a grant, contract, or cooperative agreement involving research on animals which is administered by the Administrator or any agency of the National Institutes to include in its application or contract proposal, submitted after the expiration of the 12-month period beginning on the date of enactment of this section—

"(1) assurances satisfactory to the Administrator that—

"(A) the applicant meets the requirements of the guidelines established under paragraphs (1) and (2) of subsection (a) and has an animal care committee which meets the requirements of subsection (b); and

"(B) scientists, animal technicians, and other personnel involved with animal care, treatment, and use by the applicant have available to them instruction or training in the humane practice of animal maintenance and experimentation, and the concept, availability, and use of research or testing methods that limit the use of animals or limit animal distress; and

"(2) a statement of the reasons for the use of animals in the research to be conducted with funds provided under such grant or contract.

Notwithstanding subsection (a)(2) of section 553 of title 5, United States Code, regulations under this subsection shall be promulgated in accordance with the notice and comment requirements of such section.

"(d) If the Administrator determines that—

"(1) the conditions of animal care, treatment, or use in an entity which is receiving a grant, contract, or cooperative agreement involving research on animals under this title do not meet applicable guidelines established under subsection (a);

"(2) the entity has been notified by the Administrator of such determination and has been given a reasonable opportunity to take corrective action; and

"(3) no action has been taken by the entity to correct such conditions;

the Administrator shall suspend or revoke such grant or contract under such conditions as the Administrator determines appropriate.

"(e) No guideline or regulation promulgated under subsection (a) or (c) may require a research entity to disclose publicly trade secrets or commercial or financial information which is privileged or confidential.".

PREPARATION OF PUBLIC SERVICE ANNOUNCEMENTS

SEC. 9. (a) Section 503 of the Public Health Service Act is amended by adding at the end thereof the following new subsection:

"(e)(1) The Secretary, acting through the Institute and in consultation with the Director of the Office on Smoking and Health, shall prepare for distribution announcements for television to educate the public, particularly women, concerning the dangers resulting from cigarette smoking by women. In the preparation of such announcements, the Secretary shall, to the extent feasible, use appropriate private organizations and business concerns.

"(2) Of the amount appropriated under section 517 for each of the fiscal years 1987, 1988, and 1989, $250,000 shall be available to carry out paragraph (1) for such fiscal year.".

(b) Section 517 of such Act (as amended by section 5(b) of this Act) is further amended by inserting "section 503(e) and" before "this subpart".

ALCOHOLIC CONTENT DISCLOSURE

SEC. 10. (a)(1) Section 5(e)(2) of the Federal Alcohol Administration Act (27 U.S.C. 205(e)(2)) is amended by striking out beginning with "except that" the first place it appears through "State law and".

(2) Section 5(f)(2) of such Act (27 U.S.C. 205(f)(2)) is amended by striking out "malt beverages and" and inserting in lieu thereof "malt beverages are permitted, but are not required, and such statements with respect to".

(3) Section 17(a) of such Act (27 U.S.C. 211(a)) is amended by adding at the end thereof the following new paragraph:

"(9) The term 'alcoholic content' means, with respect to malt beverages, the percentage by volume of the beverage which is comprised of alcohol.".

(4)(A) On and after the date of enactment of this Act, the regulations contained in sections 7.22(b)(3), 7.26, and 7.54(c) of title 27, Code of Federal Regulations, shall cease to be in effect.

(B) Within one year after the date of enactment of this Act, the Secretary of the Treasury shall revise the regulations promulgated under the Federal Alcohol Administration Act to carry out the amendments made by this subsection.

(b)(1) The amendments made by this subsection shall take effect one year after the date of enactment of this Act.

(2) Section 5(e) of the Federal Alcohol Administration Act (as amended by subsection (a)(1) of this section) is further amended—

(A) by inserting "and except that subsection (g) of this section shall apply in lieu of this clause to statements of, or statements likely to be considered as statements of, alcoholic content of malt beverages" before the end parenthesis in clause (2); and

(B) by inserting after subsection (f) the following:

"(g) ALCOHOLIC CONTENT OF MALT BEVERAGES: To sell or ship or deliver for sale or shipment, or otherwise introduce in interstate commerce, or receive therein, or to remove from customs custody for consumption, any malt beverages in bottles, unless the label on the bottle of any such beverage bears an accurate statement of the alcoholic content of such beverage.".

TECHNICAL AMENDMENT

SEC. 11. Section 504(e)(2)(A) of the Public Health Service Act (42 U.S.C. 290aa-3(e)(2)(A)) is amended by striking out the period at the end thereof and inserting in lieu thereof a semicolon.

THE FUTURE OF NUCLEAR POWER

● Mr. McCLURE. Mr. President, over the past several weeks, the Senate Energy Committee has been immersed in a lot of issues concerning the future of nuclear power in this country. On the one hand, we have been closely following the recent nuclear accident that took place in Chernobyl, Russia. While we appreciate the fact that, given the major differences in technology and safety features between United States and Russian reactors, we will never see the kind of consequences here that Russia experienced at its plant, we are nevertheless extremely worried about the indirect impact of this accident on the future of nuclear power in this country. If the Chernobyl accident does nothing more than further taint public perception of the safety of nuclear power in this country, then that accident will have taken a serious toll here.

This brings me to the brighter side of the committee's recent activities, and that is the hearings we held April 29 and May 5 on the Department of Energy's programs in nuclear energy research and development. During these hearings, we heard from a variety of witnesses ranging from the Department of Energy to the National Association of Regulatory Utility Commissioners.

Mr. President, one of the most important messages that came out of these hearings was the fact that not only do we have a proven light-water-reactor technology in hand that produces safe, clean, and economical electricity in this country, but we also have at our fingertips a whole new "second generation" of nuclear plants that promise the kinds of advancements in terms of "walk-away" safety, economic, and proliferation resistance, that can put issues such as the "Chernobyl Syndrome" behind us for good.

I cannot think of a better example of this than what is described in the article in the May 2 issue of the Wall Street Journal. This article summarizes the recent tests conducted at the Experimental Breeder Reactor No. 2 in Idaho. Clearly, these tests demonstrate that reactors can be designed in such a manner that no conceivable event, whether it be mechanical failure or human error, will have any significant impact on public health and safety, nor for that matter any significant impact on the plant itself.

It is research such as that being performed at the Experimental Breeder Reactor No. 2 for the Department of Energy that will leapfrog U.S. nuclear technology into a new era of inherently safe reactor technology. I am certain that, even when subjected to rigorous public scrutiny, these advanced reactor designs can and will endure.

Mr. President, I ask that the May 2 Wall Street Journal article to which I referred be made a part of the RECORD.

The article follows:

ENGINEERS TAKE DIFFERENT PATH IN SEARCH FOR A SAFER REACTOR

(By Jerry E. Bishop)

On the morning of April 3, three weeks before the Chernobyl nuclear disaster in the Ukraine, a small, 20,000-kilowatt atomic reactor in Idaho, operating at full power, suddenly underwent one of the most dreaded occurrences in the production of nuclear power: The fluid that is supposed to cool the reactor stopped flowing.

Had this happened in a commercial power reactor, as it did at Three Mile Island in 1979 and possibly at Chernobyl last Saturday, another nuclear disaster would have been in the making. The cooling fluid would have immediately boiled away and temperatures in the reactor would have soared in minutes. Reactor operators would have scrambled frantically to get control rods pushed into the reactor to stop the atomic chain reaction before a "meltdown" of the uranium fuel core occurred.

When the loss-of-coolant incident took place in the Idaho reactor, however, engineers sat quietly, waiting to see what would happen. The temperature of the coolant did rise by 400 degrees Fahrenheit, but it didn't boil and continued to extract heat from the reactor. The atomic reaction stopped, and the coolant temperature dropped within five minutes to its normal 900 degrees.

The incident was the latest test by Argonne National Laboratory engineers of an advanced atomic power reactor that researchers claim is inherently safe. Known as experimental breeder reactor No. 2, or EBR-II, it is markedly different from the reactors that currently power the world's commercial nuclear electric-generating stations. The cooling fluid, which circulates through the reactor core, extracts heat from the reactor and transfers it outside where the heat is used to produce steam, is liquid sodium instead of water. And the uranium fuel is a metallic alloy instead of uranium oxide. These basic changes produce an atomic reactor that, according to the laws of thermodynamics and physics, can't go out of control.

Most commercial power plants use water to cool their reactors. Water boils at 212 degrees. To prevent the water from boiling away and allowing the reactor to overheat and melt, the cooling water has to be kept under pressures more than 100 times atmospheric pressure. Sodium, however, has a boiling point of 1,650 degrees and can keep absorbing the reactor's heat, cooling it, until it reaches that temperature. For this reason, the sodium doesn't have to be kept under pressure, one inherent safety advantage of the EBR-II.

Another safety feature is metallic uranium fuel. The metallic fuel is a far better conductor of heat than the oxide fuel used in commercial reactors. When the metallic fuel begins to overheat, the heat is quickly and efficiently conducted to the sodium coolant instead of building up inside the fuel as it does with the oxide fuel. As the heat spreads out evenly through the fuel, the sodium and the control rods, everything begins to expand. The expansion spreads the uranium atoms apart, slowing down the atomic chain reaction without any human or mechanical intervention. As the reaction slows, the temperature drops back to normal operating levels.

The EBR-II actually was built in 1964 to test out the concept of immersing a reactor in thousands of gallons of liquid sodium. But, says Charles Till, the associate laboratory director in charge of the Argonne program at the Department of Energy's Idaho experimental reactor facility, "Only in the last year or so did it become apparent that the reactor was inherently safe." After extensive experiments and computer simulations, the engineers decided, perhaps for the first time in history, to subject an atomic reactor to the three most dreaded "postulated hypothetical accidents" that could happen to a nuclear reactor.

In the test on April 3, the circulation of the primary sodium coolant through the reactor was stopped. As predicted, the temperature of the sodium rose, and in minutes the power from the reactor dropped to almost zero as the chain reaction stopped, Mr. Till reports. That afternoon, in a second test, the flow of the secondary cooling system, which removes heat from the main system and transfers it outside the reactor, was suddenly shut down. Again, after a brief temperature rise, the atomic chain reaction came to a standstill and temperatures dropped to normal.

The engineers plan soon to put the EBR-II through the third-worst hypothetical accident, "an uncontrolled acceleration of reactivity," as it's called. If, in a conventional reactor, a vital control rod is accidentally pulled out of the reactor, the atomic chain reaction could get out of control, sending out lethal blasts of radiation and resulting in a core meltdown. The Argonne engineers are certain that when they jerk a control rod out of the EBR-II, the same phenome-

non that prevented the other accidents will shut the reactor down.

Argonne, which is operated for the DOE by the University of Chicago, is now developing a prototype commercial power reactor, called the integral fast reactor (IFR), based on the EBR-II concept. If techniques for reprocessing the metallic fuel are worked out, researchers believe such inherently safe reactors could be operating in 15 years.●

VETERANS JOB TRAINING ACT OF 1986

● Mr. ROCKEFELLER. Mr. President, I rise today to address a matter of great concern to hundreds of thousands of unemployed Vietnam era and Korean veterans. On the eve of the scheduled meeting of the Appropriations Committee to consider supplemental appropriations for urgent needs, I want to direct the attention of my colleagues to the importance of providing additional support to the Veterans Job Training Act. Senator DECONCINI, my distinguished colleague on the Senate Veterans' Affairs Committee and a member of the Appropriations Committee, plans to offer an amendment to achieve this important goal.

We came close to obtaining the necessary funding for the Veterans Job Training Program last December when the Senate included $55 million for the Veterans Job Training Act in its version of the fiscal year 1986 continuing resolution. This funding, however, was dropped in conference with the House because the legislation's reauthorization had yet to be enacted. Congress subsequently did pass the reauthorization of VJPTA, and fortunately we now have another opportunity to appropriate the required funds.

Formerly titled the Emergency Veterans Job Training Act, the Veterans Job Training Act of 1986 grants cash incentives to employers who agree to hire and give extensive training to unemployed and underemployed veterans. The goal of VJTA is to enable these veterans to gain permanent and stable employment—based on the view that we owe younger veterans the assistance needed to acquire the skills to adequately provide for their families and compensate for any losses that may stem from serving their country.

A recently released study conducted by the Department of Labor's Bureau of Labor Statistics presents statistics that underscore the need for the continuation of the Veterans Job Training Program. The Bureau reports that service-connected disabled veterans who served in Vietnam had a 9.2 percent unemployment rate in April 1985—this portrays a disturbing contrast with the general population's unemployment rate at that time. This new study also found that Vietnam theater veterans who have been determined by the Veterans Administration to be 30- to 50-percent disabled had an enormously high unemployment rate—16 percent.

A recent 1986 article in the veterans publication Stars and Stripes, entitled, "High Unemployment Plagues Vietnam Veterans," discusses this Bureau of Labor Statistics study in more detail. It also cites the Disabled American Veterans, one of the Nation's finest veterans service organizations, as pointing out that "a full 19 percent of Vietnam theater veterans with disabilities have dropped out of the labor force." Many of these unemployed veterans may have given up hope about their chances of obtaining stable work.

Mr. President, I ask that the Stars and Stripes article I just referred to be placed in the RECORD with my statement.

Mr. President, these statistics on veterans unemployment make the case for immediate action on funding the Veterans Job Training Program. The pending supplemental appropriations bill is an appropriate vehicle, in that the bill's purpose is to respond to the urgent needs of various segments of society. Moreover, the proposal to reprogram existing funds for this program means that we would not exceed the fiscal year 1986 budget ceiling for veterans benefits.

We must not abandon our effort to address the employment-related problem of many Vietnam and Korean conflict veterans. In fact, more than 25,000 veterans have asked for job assistance by applying for the Veterans Job Training Program since February 1—and I am sure that many more will do so once they know the program will be renewed. Our Nation has an obligation to give these veterans the tools to become productive citizens. Now is the time to provide the necessary funds to continue this crucial program.

The statement follows:

HIGH UNEMPLOYMENT PLAGUES VIETNAM VETERANS—DISABLED HIT HARDEST

A recently released study of the unemployment rates among disabled and Vietnam theater veterans has confirmed both groups' unemployment rates far exceed national averages.

The study, conducted by the Department of Labor's Bureau of Labor Statistics (BLS) represents the first time unemployment statistics were gathered on disabled veterans. It came only after repeated efforts by the one-million member Disabled American Veterans (DAV) to have such a study conducted.

The study found that while the unemployment rate for all veterans was 5.5 percent in April 1985, service-connected disabled veterans who served in Vietnam had a 9.2 percent unemployment rate. And all service-connected disabled veterans had a 7.6 percent unemployment rate. Vietnam theater veterans with disabilities rated 30 to 50 percent had the highest unemployment rate—16 percent.

These data are from a special supplement to the April 1985 Current Population Survey, the source of the nation's statistics on employment and unemployment. This supplement, sponsored jointly by the Veterans Administration and the Veterans Employment and Training Service and the Bureau of Labor Statistics within the Department of Labor, included questions on whether those who served during the Vietnam era had duty in Southeast Asia and, for all veterans, the presence of and rating for service-connected disabilities.

Altogether, there were 26.2 million male veterans 18 years of age and over in April 1985. Of these, about 7.9 million had served in the Armed Forces during the Vietnam era (August 1964-April 1975), including 3.7 million who were stationed in the Vietnam theater. The labor force participation rate for this latter group was slightly lower than that of other Vietnam-era veterans, in part because a larger proportion had service-related disabilities that hampered their ability to work. Fourteen percent of Vietnam-theater veterans reported such disabilities, compared with 11 percent for those who served in other wars. The labor force participation rate for Vietnam-theater veterans was 81 percent for those with disabilities and 95 percent for those who were not disabled.

What's even more telling are the number of seriously disabled veterans who've dropped out of the labor force entirely, according to Ronald W. Drach, National Employment Director of the Organization of Wartime Disabled Veterans.

"A full 19 percent of Vietnam theater veterans with disabilities have dropped out of the labor force. That is, they were unemployed but not counted in the job-seeking market as unemployed," said Drach. "Significantly, two-thirds of all disabled Vietnam era veterans with ratings of 60 percent or higher are not even looking for employment."

Drach said the study confirmed what the DAV has long believed, that significant problems exist for disabled veterans seeking meaningful employment in the workplace. "It highlights the deplorable employment situation faced by many service-connected disabled veterans. Many reasons can be offered for these high numbers, but it's obvious that innovative programs must be designed to bring these people into the work force and provide meaningful employment opportunities for them."

The combat-disabled Vietnam veteran also said that the employment profile for minority veterans was disappointing. "Regardless of where they served, black Vietnam era veterans' unemployment is two and a half to three times higher than for white veterans. Black Vietnam theater veterans have a 14.1 percent unemployment rate, while the rate for Hispanic Vietnam theater veterans is 6.3 percent."

Veterans of other wartime periods, principally those who served during the Korean war and World War II, are a group in which no one is younger than 45. Accordingly, this group is far less likely than Vietnam era veterans to be in the labor force, regardless of the degree of disability. About four-fifths of the other wartime group were 55 and older, and nearly one-third were 65 and older. The labor force participation rate for this group was 57 percent—60 percent for those without service-connected disabilities and 36 percent for those with such disabilities. Only 13 percent were in the labor force when their disability rating was 60 percent or higher.

Veterans are more likely to be employed in the public sector than other men. Eighteen percent of all employed veterans and 22 percent of those who served in the Vietnam theater were in Federal, state or local gov-

ernment jobs, compared with 13 percent of all employed men 18 years of age and older. Fully one-third of all employed Vietnam era veterans with service-connected disabilities worked in government jobs.

With respect to occupations, veterans who served in Southeast Asia were distributed in much the same way as other Vietnam era veterans. The only differences were that the former were less likely to be in the managerial and professional job categories, but more likely to be in construction trades and protective service jobs.●

CONGRESSIONAL CALL TO CONSCIENCE

● Mr. ABDNOR. Mr. President, as a participant in the congressional call to conscience, I welcome the opportunity to make this statement concerning the issue of Soviet Jewry.

From our perspective today it becomes more and more apparent and distressful that the Soviets callously use those Soviet Jews desiring to emigrate to Israel as pawns in the Soviets' political maneuvering vis-a-vis the West. The fate of Soviet Jews has been correlated with the West's attempts at bettering relations with the Soviet Union.

Traditionally, Soviet Jews have been allowed to emigrate from the Soviet Union on the condition that they submit an invitation from a relative living in Israel. But before the 1960's, few of the Soviet Jews were allowed to leave the country under this provision. For example, from May 1948 to 1953, only 18 Jews were allowed to emigrate to Israel.

With the improvement in relations between the Soviet Union and the West, emigration totals remarkably improved. The emigration of over 100,000 Soviet Jews occurred in conjunction with détente, The West German policy of Ostpolitik, and the signing of the U.S.-U.S.S.R. Trade Agreement. The emigration of Soviet Jews was again curbed in 1974 when it became apparent that the trade agreement would not go into force due to most-favored-nation restrictions as well as credits contained in the Trade and Export-Import Bank Acts of 1974. From 1975 until 1977, only 44,218 Jews were allowed to emigrate.

Emigration of Soviet Jews improved once again during 1978 and 1979. The Salt II Treaty and the improved chances of Western trade and credits opened the door to 80,184 Jews. These improved emigration statistics came to an end with the Soviet invasion of Afghanistan and the ensuing deterioration of United States-Soviet relations. New restrictions were applied for emigration from the Soviet Union. Jewish citizens wishing to leave the Soviet Union could only submit invitations from immediate family members. For a 5-year period from 1980 to 1984, only 35,816 Soviet Jews have been allowed to emigrate.

The Soviet Union claims that emigration numbers are falling because family reunification and repatriation are almost complete. This official response cannot account for the fact that 400,000 Soviet Jews have applied for visas; 20,000 of these, the refuseniks, have applied and been refused permission to leave. I find it appalling that the Soviet Union would use the fate of a people as a bargaining chip for better relations with the West.

There has been some indication that the current situation with Soviet Jewry might improve. Since the Geneva summit, 13 Soviet Jews have been allowed to leave to join their husbands or wives in the United States. That leaves about 20 cases unresolved. There may be a setback, however, in both the improvement in relations and the Soviet Jewry situation in view of our air strikes against Libya. Regardless of the current situation, I urge that the administration use every opportunity to persuade the Soviets to discontinue their reprehensible practice of linking the plight of Soviet Jews with their negotiations and dealings with the West.●

NAUM AND INNA MEIMAN: LEFT BEHIND

● Mr. SIMON. Mr. President, Naum and Inna Meiman have suffered for long enough. The Meimans are Soviet Jews who have applied to emigrate to Israel and have been refused for over 10 years.

Naum is a founding member, along with Natan Shcharansky, of the Helsinki Watch Group which monitored human rights violations in the Soviet Union. Inna is critically ill with cancer and must travel to the West in order to save her life. Medical authorities in the Soviet Union have told her there is nothing more they can do for her, while Western doctors have offered new technology to treat her cancer.

As we celebrate the presence of Natan Shcharansky in the United States, we cannot let our voices be stilled for those who continue to struggle.

I strongly urge the Soviets to grant permission to Inna and Naum Meiman to emigrate to Israel.●

PLIGHT OF STEEL INDUSTRY IN BALTIMORE

● Mr. SARBANES. Mr. President, yesterday, I met with representatives of the Baltimore Steel Crisis Action Program, a group of steelworkers concerned with the serious condition of the steel industry in this Nation and its impact on the Baltimore area.

In the past 7 years, employment at the Sparrows Point steel plant in Baltimore County, owned by the Bethlehem Corp. has declined by over 10,000 workers. The plant is operating at only 60 percent of capacity. As a thoughtful editorial in yesterday's Baltimore Sun pointed out, this decline in the steel industry "has traumatized families, blighted neighborhoods, and rippled through scores of businesses—both those supplying Sparrows Point and those dependent on the trade of its employees."

The problems of the steel industry in Baltimore and Baltimore County reflect the condition of the industry throughout the county. It is clear that more aggressive action is needed by the administration to improve compliance with the voluntary restraint agreements on steel that have already been negotiated. Pressure is required to assure that our current trade laws are enforced. This will give the industry the time it needs to make the painful adjustments necessary to meet the challenge of foreign competition.

As the Sun editorial pointed out, the Baltimore County plant "must survive if the United States is not to become just a purveyor of hamburgers, microchips, and certificates of deposit * * * if the country loses its ability to manufacture basic industrial products, an important element of national security will be sacrificed."

The meeting yesterday placed the emphasis where it belongs—on fair trade, retention of jobs and competitiveness, and on strict compliance with already negotiated voluntary restraint agreements on steel.●

TELEVISION VIOLENCE

● Mr. SIMON. Mr. President, the question of curbing television violence is one we are going to have to be facing soon.

The Hancock County Journal-Pilot, a weekly newspaper in my State, recently had an editorial commenting on the whole question of television violence and the legislation that is pending before us, and also urging parents to do something about switching off programs that have too much violence.

I ask that the Journal-Pilot editorial be printed in the RECORD, and I urge my colleagues to read it.

The editorial follows:

[From the Hancock County Journal-Pilot, Apr. 23, 1986]

CURBING TELEVISED VIOLENCE: SIMON, SWITCH OFFER HOPE

Can violence on television cause violent behavior elsewhere?

While the American public generally has been led to believe there is no definite correlation, U.S. Sen. PAUL SIMON, who has studied the issue for three years, has compiled some information that bears sober reflection.

The question is an important one, considering that more than 96 percent of American homes have at least one television set. The fact that the average child spends more time watching television than in the classroom is another reason the issue is important.

For starters, SIMON cites a report of the U.S. attorney general's task force on family violence that concluded "evidence is becoming overwhelming that, just as witnessing violence in the home may contribute to normal adults and children learning and acting out violent behavior, violence on television . . . may contribute to the same result."

Researchers also have found that children with aggressive tendencies tend to watch violent programs and are more likely to believe that television violence mirrors real life.

As long ago as 1982, the surgeon general said there is a causal correlation between viewing violence and aggressive behavior, Simon says.

Researchers John Murray and Barbara Lonnberg found viewing television violence can have three effects: children may become less sensitive to the pain and suffering of others; they may be more fearful of the world around them; and they may be more likely to behave in an aggressive or harmful way toward others.

In June 1985 the American Academy of Pediatrics issued a policy statement that "repeated exposure to televised violence promotes a proclivity to violence and a passive response to its practice."

In February last year, Dr. H. James Holroyd concluded: "In one study, children who had watched a violent television program were found to be more likely to hurt another child than were those who had watched a nonviolent program."

Noting that 35 males between the ages of 8 and 31 have killed themselves playing Russian Roulette while imitating a scene from the movie "The Deer Hunter" shown on television, Dr. Robert Wharton and Dr. Frederick Mandell said last June ". . . the pain of victims and anguish of relatives are rarely portrayed. Thus, the child learns that violence may be a quick and easy solution to conflicts while being deprived of any opportunity to feel empathy for the victim."

Simon cites other research that found children's television programs are six times as violent as adults' television programs and several other laboratory studies that have shown children imitate the violence that they have just watched on television.

What do the television networks say? Researchers for NBC found the relationship between viewing television violence and aggressive behavior several years later became insignificant when social class was controlled, according to Diana Zuckerman and Dr. Barry Zuckerman.

But, the Zuckermans add, the NBC-backed study has several key limitations. The study strictly defined children's aggressive behavior to include only "physical or verbal acts intended or known in advance to cause injuries to others" and did not include rough play or other unintended aggressive behavior.

Unfortunately, America's penchant for violence compared to the rest of the western world is reflected in its television programs. The International Coalition on Television, comprised of 88 countries, has determined American viewers have more access to violent television programming than citizens of several other nations, including Canada, England, Australia, New Zealand, Japan, West Germany and Spain.

And the U.S., the coalition has found, is a chief exporter of television violence. The U.S. exports programs accounting for 65 percent of all violence shown on Australian, Canadian, English and New Zealand television.

So recent research indeed does refute psychologists' suggestions in the 1950s that television violence had a cathartic effect, thus reducing viewers' aggressive behavior.

With that in mind, what can be done to lessen the amount of violence on television? Simon, who visited the three major networks' production facilities in January to learn how program content decisions are made, introduced legislation last week that could lead to industry guidelines to curb the viewing of television violence by children.

Simon's two-bill package would provide an exemption from antitrust laws to broadcast stations, including owners or operators of cable television companies and networks, and trade associations. The exemption would be limited to joint action to review, consider, evaluate and take action concerning broadcasts or material intended for television broadcast to determine or lessen their harmful effects.

Second, his legislation would direct the Federal Communications Commission to oversee a definitive study of television violence issues and report to Congress within a year.

Another more immediate way to control television violence is to stop watching violent programs. If enough Americans register their displeasure by switching to other programming or turning their sets off completely, ratings of violent shows will drop and sponsors—the life blood of commercial television—will be lost.

It also behooves parents to monitor their children's viewing habits more closely.●

PROTECTION AND ADVOCACY FOR MENTALLY ILL INDIVIDUALS

● Mr. SIMON. Mr. President, I am pleased to support the conference report for S. 974, the Protection and Advocacy for Mentally Ill Individuals Act of 1986, which was adopted by unanimous consent earlier today.

This legislation is a result of investigations that Senator WEICKER and his staff conducted through site visits to institutions and oversight hearings on the conditions in those institutions. The result of their 9-month investigation, with onsite inspection of 31 facilities for mentally handicapped persons in 12 States, was a disturbing documentation of abuse and neglect of some of the most vulnerable persons in our society. Because of the concern Senator WEICKER has shown, we are now able to add a vital tool to those available for preventing abuse and neglect in facilities which house the mentally ill.

I am pleased that this bill will also permit Protection and Advocacy agencies to assist individuals being discharged from facilities and ensure that their rights are protected as they make the transfer into the community. The conference report provides that the Protection and Advocacy System may pursue appropriate remedies for abuse or neglect which occurs within 90 days of the discharge of the individual from a facility. This provision should help ensure that these individuals are placed successfully into the community and are not found sometime later among the homeless on our streets. The number of homeless in this country is now estimated to be possibly as high as 2 million, and an estimated one-third of our homeless are said to have experienced some form of mental illness. There is no question that the emptying of State institutions, without appropriate followup services, has contributed to this situation. This bill will help prevent the needs of deinstitutionalized persons from being ignored in the future.

I commend my colleagues who worked to reach agreement on this conference report. It is a credit to all of them and should produce results that we can all applaud.●

POLICE OFFICERS MEMORIAL DAY AND POLICE WEEK

● Mr. MOYNIHAN. Mr. President, I rise today to honor the brave men and women who serve as our Nation's law enforcement officers. And, as we commemorate National Police Officers' Memorial Day and Police Week, I would like to offer a special tribute to the 79 officers who, last year, gave their lives while performing their duties. Each of them is a hero. Each officer made the ultimate personal sacrifice to uphold our laws and ensure our safety.

It is always appropriate—and especially fitting today—for us to recommit ourselves to supporting the efforts of our law enforcement officials. In the U.S. Senate, we recently passed legislation I sponsored to ban armor-piercing bullets. These "cop-killer" bullets can penetrate bulletproof vests, and pose a lethal threat to police. A similar bill was approved by the House. Before Congress adjourns this fall, I am hopeful we can reach agreement on this measure, and send it to the President for his signature.

In addition, we must continue to improve, not weaken, provisions of the 1968 Gun Control Act. There were 79 police officers killed in 1985. Seventy of these crimes were perpetrated with firearms. Our law enforcement officers need more protection under the law, not less.

Finally, the Federal Government must decide to allocate sufficient resources to assist with the apprehension and punishment of those who violate the law. We can ill afford the terrible costs paid by the victims of crime and by a society that allows such criminal behavior to go unpunished. With crime rates again on the increase, we must make law enforcement a national budget priority.

This week, as we remember the law enforcement officers who so devotedly and faithfully serve their communities, let us also keep in mind our obli-

gations to help them carry out their responsibilities.●

THE BRADLEY STAMP

● Mr. LAUTENBERG. Mr. President, the Senate will in the near future turn to consideration of comprehensive tax reform legislation. My colleague from New Jersey, Senator BRADLEY, has been a persistent, persuasive, and committed advocate of reform. His original tax reform legislation, which I was pleased to cosponsor, was one against which other proposals have been measured. I am sure that, were it not for my colleague's efforts, the people of the United States would not be as close as they are to real reform of the tax laws. The bill reported by the Finance Committee is the product of many Senators' hard work, but it has the Bradley stamp.

My colleague has received well-deserved praise for his work thus far on tax reform. I ask that editorials and an article from the Newark Star-Ledger and the New York Times be printed in the RECORD.

The material follows:

[From the Newark Star-Ledger, May 13, 1986]

BRADLEY'S KEY ROLE

The signature on the bottom of the historic tax reform measure passed unanimously by the Senate Finance Committee bore the name of the panel's chairman—Bob Packwood, the Oregon Republican. But it just as likely—and perhaps more fittingly—could have taken the name of New Jersey's senior senator, Bill Bradley.

Senator Bradley labored long and valiantly—and more often than not, thanklessly—in behalf of an overdue reform of the nation's inequitable and archaic tax system. He made it a chief legislative commitment of his years in the Senate.

And it finally paid off, a remarkable turnaround after only weeks earlier it appeared to be foundering in an irreversible terminal stage. It was given a born-again legislative status when Senator Packwood and a small cadre of colleagues, including Senator Bradley, reworked a viable new draft that was backed by a strong bipartisan coalition on the tax panel.

In its fiscal "Second Coming," the Senate tax reform version (the House earlier passed a measure similar in principle but which differs in some important aspects) has many of the basic proposals Senator Bradley included in his 1982 Fair Tax Act.

The Senate measure would drastically lower tax rates; most persons would be taxed at 15 percent rate, and the top rates would be reduced to 27 percent for individuals and 33 percent for corporations. Millions of poor Americans would be removed from tax rolls. But many deductions and tax shelters would either be repealed or reduced.

In an unusual bipartisan gesture, Senator Packwood, who was originally opposed to tax reform, praised a colleague from the other side of the Senate aisle. He singled out Senator Bradley as "a key player all the way along . . . (who was) absolutely one of the best performers" during the final crucial weeks that culminated in the decisive committee vote.

The solid affirmation of restructuring of the tax system by the Senate panel, and the enthusiastic backing of President Reagan for "meaningful, historic tax reform," have created a new, buoyant climate for passage of reform legislation that will not be gravely hobbled by special-interest loopholes that have marred and rendered ineffectual these initiatives in the past.

The absence of this name on the bottom line does not detract from Senator Bradley's key, decisive role as the "intellectual conscience" of genuine tax reform.

[From the New York Times, May 9, 1986]

PERSISTENCE OF BILL BRADLEY IS PAYING OFF

(By Robert Pear)

WASHINGTON, May 8.—For five years, Senator Bill Bradley of New Jersey has been trying to build support in Congress and across the country for dramatic changes in the tax code, including much lower rates and the elimination of most itemized deductions.

With the approval of a bill by the Senate Finance Committee this week that incorporates such changes, Mr. Bradley achieved a long-sought personal triumph.

Mr. Bradley, a Democrat, provided counsel and encouragement to the committee chairman, Bob Packwood of Oregon, a Republican, in steering the bill through a thicket of lobbyists for various interests and industries. Mr. Packwood later said he was converted and "came around full circle to think that Bradley was right" on the need for sweeping changes in the tax system.

Mr. Bradley's colleagues said today that he had not pulled a rabbit out of the hat, but rather served as the conscience of the committee, demonstrating that voting against special interests could be a political plus.

The bill approved unanimously by the Finance Committee on Wednesday would make the biggest changes in Federal income tax law in 40 years, abolishing dozens of itemized deductions, slashing the top tax rate to 27 percent, from the current 50 percent, and substituting two tax brackets for the 14 that now exist.

Mr. Bradley, first elected in 1978, is in his second term, but committee members with more seniority looked to him for guidance on both tax policy and technical questions.

"More than any other individual, Bill has contributed to the progress that's been made on tax reform in this country," said Senator George J. Mitchell, a Maine Democrat who also serves on the Finance Committee. "Five years ago, with considerable vision and foresight, he laid out his proposal, and he has advocated it since then with consistency and intellectual force."

Not only Democrats were complimenting Mr. Bradley today. Bruce R. Bartlett, a Republican economist, now a senior fellow at the conservative Heritage Foundation, gave the Senator "enormous credit" for changing the approach of the Finance Committee. As a result of that change, he said, "a pure, radical concept" of tax revision replaced "an attitude of business as usual, catering to the lobbyists and special interests."

James W. Wetzler, an investment banker at Bear, Stearns & Company and former deputy chief of staff of the Congressional Joint Committee on Taxation, said the approval by the Finance Committee was "a remarkable tour de force" by Mr. Bradley.

"I have never seen a situation where a junior Senator exercised as much influence as Bradley did on the House." Mr. Wetzler said, "Nor have I seen a situation where a Republican committee chairman gives a Democrat such credit for helping to change his position on an important issue."

Historically, Mr. Wetzler said, tax policy has oscillated between efforts to guarantee the integrity and equity of the tax code, on the one hand, and efforts to achieve various social or economic goals on the other. After passage of the 1981 tax law, he said, Mr. Bradley was "the first major politician to perceive that it was possible for the pendulum to swing back toward a more equitable tax system, with lower rates and a broader base."

GRANDDADDY OF TAX GIVEAWAYS

Mr. Bradley describes the 1981 tax law as "the granddaddy of tax giveaways," loaded with "a slew of highpriced sweeteners" for businesses.

In an interview today, Mr. Bradley traced his interest in taxation to his days as a highly paid professional basketball player, when he discovered that he was regarded as "a depreciable asset" by his team, the New York Knicks.

In his book "The Fair Tax," Mr. Bradley recalls that his tax attorney told him, when he started playing for the Knicks, that he had to decide how much he wanted to pay in taxes. Mr. Bradley, then 23 years old, was puzzled. The lawyer explained that Mr. Bradley could take his pay in cash, could defer all or part of it, could take part of it as a long-term consulting contract, or as life insurance, or as a pension, among other options.

Mr. Bradley, now 42, retains a firm belief that the tax system is confusing and incomprehensible to most Americans.

"The 20-0 vote on Finance Committee represented the arrival of political maturity for tax reform." Mr. Bradley said. "It meant that seasoned politicians believed that tax reform was a political winner. It showed that tax reform is a powerful political idea which, if persistently advocated, can overcome entrenched opposition."

The legislation has supporters in both parties, but for Democrats, Mr. Bradley said, "it provides the first economic growth issue we have had in more than a decade." Best of all, he said, "it gives us an opportunity to advocate growth and equity simultaneously."

Unlike many lawmakers, who seek to protect local interests in tax bills, Mr. Bradley positioned himself as an advocate of the general interest.

"For a member of Congress," he said, "the question is this: Do you believe your role is to represent the general interest, or is it your job to represent narrower interests—this one, that one—and put together a quilt of service? I believe a legislator's job is to represent the general interest."

[From the New York Times, May 8, 1986]

A TAX TRIUMPH FOR ALL AMERICANS

Sometimes, against all odds, the good guys win. In spite of intense lobbying by special interests and in spite of seeming public apathy, the Senate Finance Committee has voted to revolutionize a tax system which Jimmy Carter was right to call "a disgrace to the human race." It's a victory that reignites visions. Maybe the tax system can yet, after all, be made simpler, fairer and more efficient for all Americans.

This victory, unfortunately, won't win the war. Tax reform must still pass the Senate, and then survive a conference with the House. If the Finance Committee plan is to become law, Congress will have to do some-

thing it's not good at: Recognize the virtue of sacrificing individual interests for the common good.

Banks dislike the Finance Committee bill because it ends deductions for the Individual Retirement Accounts that have brought them new business. Stockbrokers dislike the elimination of special treatment for capital gains. Car dealers dislike restricting the deductibility of interests on car loans. Restaurants dislike reducing deductions for business entertainment. Labor dislikes eliminating the deductibility of union dues. Some governors dislike eliminating the deductibility of sales taxes.

These and scores of other interests can make a case for continuing to receive favored treatment. Together, they pack immense political influence. Then why have Senator Bob Packwood and his colleagues insisted on this radical plan, which evolved directly from the tax plan first proposed two years ago by Senator Bill Bradley and Representative Richard Gephardt? Because all of us would benefit in so many ways that the list is inspiring.

The number of tax brackets would be reduced from 14 to 2, and the top tax rate would drop from 50 percent to 27 percent. Eight taxpayers in 10 would pay just a 15 percent tax on income, and only after deductions for mortgage interest and charity. That would greatly simplify paperwork and record-keeping for most taxpayers.

Just as important, that change would eliminate many of the incentives that distort the economic life of a middle-class taxpayer. There would be little or no point to shifting income from parents to children, or from tax year to tax year, or from dividends to capital gains, or from salary to retirement plan. And there would be less point to hiding income from the I.R.S., cheating that now costs the Treasury tens of billions a year.

Most important, sweeping simplification and base-broadening could change the climate of special-interest lobbying. The current tax system of high rates, offset by hundreds of exemptions, gives practically everyone a justification for demanding favored treatment:

If interest on private housing bonds is tax-exempt, why not interest on private school construction? . . . If investment tax credits can cut the net cost of buying buses for Greyhound, why shouldn't they cut the cost of buying buses for the city of Akron? . . . If I.R.A. contributions are deductible, why not other personal savings?

Not even the Finance Committee bill would create a bias-free tax code. The eleventh-hour decision to preserve privilege for the oil and gas industries carries a particular odor. And while Majority Leader Robert Dole is optimistic about Senate approval, the road to final adoption remains uphill. But the overall direction of change is clear, the distance traveled is long and the possibility for genuine reform is so much advanced that it's worth stopping for a moment to dwell in one word: wonderful.

[From the New York Times, May 11, 1986]

THE INCREDIBLE IMPROVING TAX PLAN

" A second American revolution" is what President Reagan called his sweeping plan to restructure Federal taxes last year. He had the hyperbole right but the details wrong. His complicated package begged to be rewritten and that's what the House did, producing an improved but still-complex bill. Now, miraculously, the Senate Finance Committee, which recently seemed bent on killing reform, has suddenly produced a truly radical plan that tops them both.

The committee bill, grounded in the work of New Jersey's Senator Bill Bradley and master-minded by Chairman Bob Packwood of Oregon, is a shrewd combination of smaller personal tax cuts that look bigger than either the Reagan or House proposals, and less onerous tax increases for most businesses.

The result is real reform: a simpler, fairer tax system in which people and businesses can spend and invest without first considering the tax implications. Most of those implications would be demolished or greatly reduced.

The key to Mr. Packwood's success is dramatically cutting the top personal tax rate, now 50 percent, all the way down to 27 percent. That figure is deceptive; for some upper-level income, the actual rate would be 32 percent. And in dollar terms, the reduction isn't as much as the president proposed or the House adopted, because the Senate bill also repeals more personal deductions. But for impact, the Packwood opening proved startling.

The full Senate will take up the bill early next month, when all the lobbyists who were shut out of the committee's final deliberations will flock back, hoping to save cherished tax advantages that the committee bill would remove.

By then, though, an unfamiliar new influence will be in place. For the first time, Senate sessions will be broadcast on nationwide television. On camera, senators may shy from reinstituting tax shelters and other preferences that are sharply curtailed by the committee bill.

Television may, likewise, encourage senators to rescue tax-exempt Individual Retirement Accounts, which the committee bill would terminate for most people. But the senators know that there is peril in departing from the committee formula. They must weigh the narrow "special interests" of the few against the broad special interests of tens of millions who would come out ahead in this plan.

When the Senate is done, a conference will negotiate a compromise bill. That's when the lobbyists will turn out full force, undeterred by television's sanitizing stare. In the end, the top rate may not be 27 percent, or 32 percent. But it's likely to be well under the House's 38 percent, and the array of deductions and exemptions will probably have been improved. both bills have flaws that could stand cleaning up.

What's important is that there are now two good bills. Tax reform, which two weeks ago seemed to be gasping its last breath, now seems certain. That's a proud prospect for Congress and a progressive one for the nation.●

BENTON HARBOR, MI

● Mr. RIEGLE. Mr. President, I wish to submit an article regarding the city of Benton Harbor, MI. This brave city is currently undergoing a major effort toward revitalization. It is an uphill battle, but one which it is meeting with great energy and confidence.

I am proud at the national recognition that Benton Harbor has gained as evident from this article in the Christian Science Monitor, entitled, "Residents Fight To Change 'Down and Out in Benton Harbor'." Mr. President, I ask that this article be printed in the RECORD.

The article follows:

RESIDENTS FIGHT TO CHANGE "DOWN AND OUT IN BENTON HARBOR"

(By Lucia Moust)

If ever a city has been down and out, Benton Harbor qualifies.

What used to be a popular vacation spot for Chicagoans and a thriving center of Michigan's fruit industry now has an unemployment rate of close to 40 percent. Vacant stores line much of its main thoroughfare. About 60 pecent of its residents are on some form of public assistance.

Benton Harbor and its neighbor across the river, St. Joseph, are known as Michigan's Twin Cities. They have comparable rents but the contrasts are marked. St. Joseph's population is 98 percent white, while Benton Harbor is 86 percent black, and St. Joseph's per capital income is twice as high as that in Benton Harbor.

Benton Harbor faces the kind of challenge other cities in similar straits have walked away from. But a growing number of this city's 15,000 residents and interested onlookers say they see signs of fresh vitality here and a new determination to reverse the economic decline of the last 20 years.

Michigan State University's (MSU) decision last fall, backed by a grant from Benton Harbor's Whirlpool Corporation, virtually to adopt this town is fueling much of that optimism.

While not channeling more dollars directly into the city, MSU experts offer a wide range of technical and research help, lending credibility to the city's own revitalization efforts.

Within the last year a new downtown development authority has been formed and 10 companies have either moved in or expanded here.

"Many have been watching for the right signals for a long time," says Alex Little, who was hired as the city's director of economic and community development a year and a half ago.

Also, there is noticeably, more citizen activity in both new and existing groups. Members of three black churches, for instance, now offer tutoring four days a week to youngsters from a nearby grade school. Last year they sent a group whose behavior was exemplary to summer camp.

"It's an uphill journey, but I'm seeing a much greater sense of community pride, and I feel we're going to go forward," insists the Rev. Clarrissa Blackamore, pastor of the Greater Ebeneezer Spiritual Temple.

Also just this week Benton Harbor is playing host to Artrain, a traveling art collection housed in four railroad cars. It is a special treat for this town with no museum of its own.

There is no easy explanation as to what exactly happened here. Certainly the loss in the 1970s of the city's auto-related industries was a key factor. An exodus of most of Benton Harbor's black middle class and white residents followed. Also low-income blacks from American's South were attracted here by Michigan's unusually high welfare and unemployment benefits.

Though federal and state funds were coming in as the city's tax base was reduced, large sums mysteriously disappeared. Whether it was crooked politics—a charge never proven—or an honest lack of fiscal management experience depends on whom you talk to.

Residents do agree, however, on what the city needs now: a stronger revenue base. Just to keep minimal services going, Benton Harbor city leaders have had to borrow about $500,000 a year from the state. It now owes the State of Michigan $2.5 million.

Mr. Little, a man of irrepressible enthusiasm who stresses that the city's ability to repay will increase as developers come in, has a detailed plan for the city's economic recovery. On a walk around town he tells a visitor the many vacant buildings around are not liabilities but assets that the city is buying up for development and sale.

Little points out that one developer has already converted the city's YMCA into a private health club and points out where another will begin building a riverfront hotel this summer. "This is not working with dreams—these things can happen," he insists. And he says that Benton Harbor's designation in recent months as the state's only enterprise zone should help considerably.

"I'm seeing a lot of improvements here lately, and I hope the enterprise zone [designation] will really set this town going full blast," says Michael Govatos, as he serves up the evening's $3.95 hamburger special to a visiting reporter at the Fifth Wheel, a grill on Main Street he has owned and run for 38 years. Mr. Govatos is also one of the nine current city commissioners.

In addition to money, residents readily admit that Benton Harbor has another great need: a more united approach to its future.

"Nobody ever comes together to do anything in a united way," protests Bill Gaillard, executive director of Mission Basic, a nonprofit group trying to create new jobs in the area. Indeed, there is noticeable friction between some whites and blacks here and also within the black community itself as to how to proceed. "What this city needs is one diplomatic person who is neutral and can talk to anyone—we need something to raise the spiritual morale of the people," says cable TV photographer Lawrence Streeter.

Yet there are promising signs that Benton Harbor is making headway. In January a celebration in honor of Martin Luther King Day, featuring the Twin Cities Symphony Orchestra based in St. Joseph and the choirs of 22 area churches, drew 1,500 people to Benton Harbor's Lake Michigan College.

Esther Clay, a teacher who cochaired the event, says it was the first time in her more than 40 years in this area that she has seen the two communities come together for such an event. "There was a time when it was said that the men living in St. Joe told their wives not to cross the bridge," she recalled.

Also new within the last few months: a lunchtime forum on Benton Harbor issues held every two weeks at Lake Michigan College. "It's not a place to argue but a place to hear," says college president Anne Mulder.

"It's an opportunity to speak to both sides who've never really gotten together because of all the hurts . . . of the past—the important thing is for the networking to begin," adds the Rev. William Moore, pastor of Benton Harbor's First Congregational Church.

Although Michigan State University has helped in a variety of areas from zoning to marketing, its greatest contribution may be to help bridge gaps between individuals and factions who do not trust one another.

"It's hard to get people to work together when the pie is shrinking . . . but we're perceived as neutral and objective—people can't afford not to work with us," notes John Schweitzer, acting director of MSU's Center for Urban Affairs. "We don't expect to see changes overnight, but I think we can make a positive difference."

Adds Joseph Darden, the MSU dean of urban affairs programs: "I think there's a feeling now that something better can happen—the potential is clearly there."●

Mr. QUAYLE. 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.

□ 1720

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

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

□ 1750

THE DAIRY TERMINATION PROGRAM

Mr. WILSON. Mr. President Hon. Halbert Woodward, a Federal district court judge in Lubbock, TX, recently issued a preliminary injunction against the Dairy Herd Termination Program contained in the 1985 farm bill. Last Friday, in response, the Department of Agriculture announced changes in the administration of the program in order to minimize the adverse impact which this program has had upon cattle prices. These changes are outlined in a settlement agreement which USDA and the cattlemen who filed the lawsuit have jointly submitted to the court. I ask unamimous consent that the agreement be printed in the RECORD.

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

SETTLEMENT AGREEMENT

Whereas, Judge Halbert O. Woodward of the United States District Court for the Northern District of Texas issued a preliminary injunction against the defendants on April 30, 1986 in *James Neil Shelton, et al., Plaintiffs v. United States Department of Agriculture, and Richard Lyng, Secretary of Agriculture, Defendants,* U.S.D.C. N.D. Tex., Lubbock Div., No. CA 5-86-81 (hereinafter referred to as "the action").

Whereas, the order in the action issued by the Court on April 30, 1986 provided:

"It is hereby ordered that the defendants, and such agencies, employees, and servants who are under their direction and control, be and are hereby ordered to immediately prepare, promulgate and give proper notice of a regulation that will specify marketing procedures that will limit the total dairy cattle market for slaughter to no more than seven percent (7%) of the national dairy herd per calendar year, and to provide for a proportionate percentage limitation for the five-month period from April of 1986 through September of 1986. The regulation shall further provide for feasible steps to minimize the adverse effect of the marketing of the dairy cattle on the program or contracts of beef, pork, and poultry producers in the United States, all as provided by the Food Security Act of 1985."

The regulation shall be promulgated and announcements in accordance therewith shall be published and become effective as to the slaughter of dairy cattle commencing June 1, 1986.

The preliminary injunction shall be effective until such time as there is a final adjudication on the merits of this case;

Whereas, the parties desire to resolve the controversy involved in the action without further litigation or other proceedings in the action;

Therefore, in full settlement and satisfaction of all claims that were raised or could have been raised in the action, it is hereby AGREED by the parties to the action through their undersigned attorneys that:

1. The United States Department of Agriculture (USDA) will by May 15, 1986, contact participants in the Dairy Termination Program (DTP) on a one-time basis to ascertain the number of cows, heifers and calves they have exported or intend to export and by month the number of such cows, heifers and calves they have had slaughtered or intend to have slaughtered under the DTP. USDA will request that producers provide monthly follow-up reports on animals slaughtered or exported. USDA will also request that producers notify USDA of any change in their plans for the export or slaughter of their dairy cattle. USDA will promptly aggregate and publish the information received regarding slaughter and export.

2. USDA will solicit requests from producers who are participating in the DTP for a mutual modification of their contracts which will permit the producers to sell their dairy cattle for slaughter or export in the second or third contract disposal period rather than in the first contract disposal period. USDA will by May 15, 1986 notify eligible producers that USDA will entertain such requests. Producers will be advised that such requests must be received by the producer's local county ASCS office by May 30, 1986. Such requests for a mutual modification of contracts shall be granted by USDA to the extent that USDA determines that the granting of such requests is consistent with the purposes of the DTP provisions of the Food Security Act of 1985. On or before June 13, 1986, USDA shall send notice to each producer, who has submitted such a request, whether that request has been accepted, and USDA shall promptly announce the extent of requests received and requests granted.

3. USDA will notify DTP participants that, except as provided in paragraph 2 above, there will be no change in the final slaughter and export dates provided for in the DTP contracts. USDA will advise participants in the DTP that those dates are firm and will not be extended because of slaughter capacity problems or related problems. Producers will be further advised that the failure to meet those deadlines can result in a loss of all program benefits and the imposition of penalties of $1,000 for each violation. DTP producers will be urged to plan well in advance for the disposal of their cattle.

4. USDA will make the additional meat purchases required by Section 104 of the Food Security Act of 1985 in a manner that ensures that the purchases in each of the program's three disposal periods will be proportionate to the estimated slaughter of DTP cattle under the program for that period.

5. USDA shall, beginning on or before May 21, 1986, issue a weekly report showing the number of dairy cattle slaughtered under the DTP for the most recent week for which such data are available and the purchases of red meat made by USDA agencies for the most recent week for which such purchase data are available. The report shall also specify the number of dairy cattle sold for export under the DTP for the latest week for which such data are available. The report shall further contain aggregate data covering all reports previously published.

6. USDA shall announce as soon as possible specific quantities and purchase dates for red meat for DOD commissaries purchased by USDA, DOD or any other federal agency pursuant to the Food Security Act of 1985.

7. USDA will undertake all reasonable measures to avoid displacements of purchases of red meat in the domestic market as the result of USDA donations of quantities of red meat which are purchased as a result of the DTP. As part of this effort, USDA will issue a directive to all State distributing agencies receiving such donations requiring them to contact each recipient agency that will receive donations in connection with the DTP to urge such agencies not to reduce their normal expenditures for red meat because of such DTP-related donations and to limit their acquisitions of red meat to the maximum extent practicable to domestically produced meat. Further, USDA's purchases of quantities of red meat in accordance with Section 104 of the Food Security Act of 1985 shall be in addition to those quantities normally purchased and distributed by the Secretary.

8. USDA shall take all reasonable measures to facilitate the export sale of live dairy cattle under the DTP contracts and such measures shall include: (a) instructing all USDA agricultural counselors and USDA agricultural attaches to contact importers, foreign government officials and other interested parties of the availability of DTP cattle; (b) authorizing $50 million in short-term credit guarantees to facilitate the export of cattle to Mexico; (c) providing assistance to public-interest groups for the purpose of promoting donations of cattle to underdeveloped countries; and (d) supplying lists of exporters and DTP participants to State Departments of Agriculture and to other interested parties for purposes of assisting efforts by DTP participants to export their cattle.

9. The parties will file a notice of voluntary dismissal of the action and it is further agreed that the foregoing paragraphs of this agreement shall become effective upon dismissal of the action and the vacating of the April 30, 1986 order entered by the Court in the action. Each party shall bear its own costs and attorneys' fees for the action.

10. This Agreement shall be enforceable by and between the parties in the United States District Court for the Northern District of Texas, Lubbock Division.

It is hereby so agreed.

Mr. WILSON. Mr. President, in my view, Judge Woodward is to be commended for perceiving the flaws in this so-called whole herd buy out or "cow kill" program which a majority of the Congress had unfortunately missed last year. Additionally, I am pleased that the Secretary of Agriculture has taken steps to assure a more orderly implementation of this ill-advised program.

Last year, according to our colleagues in the House who had originally drafted the whole-herd buy out program, it was to be an industry-funded effort which would reduce surplus dairy production and Government expenditures. The dairy industry successfully persuaded Congress to adopt this program, which would pay dairymen to go out of business, instead of reducing the dairy price support level by less than 5 percent.

In late March, the Department of Agriculture announced that 14,000 dairymen owning 1.5 million dairy cows, heifers and calves had signed up to participate in this graceful transition to retirement. Upon reviewing the payment that these farmers will be receiving, I can see why so many of them were enticed to participate.

First, the Federal Government will be paying them as much as $22.50 per hunderedweight of production per cow. On average nationwide, a dairy cow produces 13,000 pounds of milk annually, which would translate into a per cow "buy-out" payment of $3,000. In my State 325 dairymen entered the whole-herd buy out program and will be receiving an average payment of $1,500 per cow or nearly $900,000 per dairyman.

In Wisconsin, 1,600 dairymen will be sharing $125 million in Federal moneys. In Pennsylvania, 400 dairy producers will receive an average of $100,000 each. In Florida, the average Federal payment to 48 dairy farmers to go out of business will be $860,000. And in Arizona, the whole-herd buyout has made instant millionaires of 15 farmers who will average nearly $1.3 million to enter early retirement.

In total, the Department of Agriculture will be spending $1.8 billion over 5 years to pay for the whole herd buyout program. While that is a staggering amount of money, we were assured last year that the dairy industry would pay for the cost of the program through an assessement on all milk producers. Unfortunately, the assessment formula in the farm bill will generate only $700 million. So guess who will pickup the tab for the remaining $1.1 billion? The American taxpayer.

And all that money is not to buy those cows. No, these payments are just to assure that the participating dairymen will sell them to slaughterers and processors who will pay the dairy farmer an additional $300 per cow.

Given the attractive economics of this program, no wonder 14,000 dairymen agreed to accept Federal money to sell nearly 1.5 million cows, heifers and calves during the next 18 months. Unfortunately, the resulting "glut" of surplus dairy beef on the market sent cattle prices plummeting, and during the first month of the whole-herd buyout, our Nation's cattle industry—which receives no Federal subsidies or price supports—lost an estimated $2 billion in lower sales prices and reduction of inventory value.

Mr. President, no wonder the cattlemen were moved to seek relief in a Federal district court. I shared their motivation when I introduced S. 2280—a bill to suspend this program temporarily in order to provide the Agriculture Department with time to spreadout the marketing of these extra dairy cows to limit the adverse effect on cattle prices. Fifteen of my Senate colleagues have joined me in this effort, and there is a companion bill in the House. I am gratified that what we have sought to achieve through legislation has been achieved through a Federal court order, and I commend the Texas judge for his perceptiveness.

I only wish that the drafters of the buyout program had been more perceptive. Their suspicions that the dumping of 1.5 million dairy cows on the beef market would depress cattle prices has proven to be painfully correct; however, instead of rejecting this ill-conceived program, they compounded its problems by directing the Secretary of Agriculture—who is already spending more than a billion taxpayer dollars to encourage participation—to spend an additional $400 million to buy surplus beef products.

The incredible result is a program which directs USDA to pay dairymen over a billion dollars of incentive money to sell their cows and then requires the Government to spend another $400 million to buy back the beef product after the cow has been sold and processed. In effect, the dairymen are getting paid twice for their cows because the taxpayer is paying for the meat twice. And when the taxpayer is also a cattleman, he is paying twice for the dubious privilege of subsidizing a glut that distorts the beef market, depresses the prices for his cattle and undermines his own livelihood.

Although the whole herd buyout program has become a huge drain on the Federal Treasury, it is only a part of the cost of the dairy program contained in the 1985 farm bill. Because Congress acquiesced in the buyout, instead of simply reducing the price support level, USDA continues to pay $11.60 per hundredweight for any amount of milk which cannot be sold in the marketplace. Simply stated, Uncle Sam provides a guaranteed contract to buy all the milk produced by the dairymen who have decided to remain in business.

Despite the buyout, which its proponents said would eliminate dairy surpluses, USDA estimates that it will spend nearly $2 billion dollars in fiscal year 1986 to purchase 11 billion

pounds of surplus dairy production. So the immediately identifiable costs of the dairy title of the farm bill—including $1.1 billion to assist dairymen who want out of the business and $1.8 billion to subsidize dairymen who want to stay in the business—will reach $3.3 billion. And that figure only includes the cost to the U.S. Treasury, not the indirect cost of $2 billion which our Nation's cattle producers have borne during the past 6 weeks.

There is yet another cost related to this dairy program which is becoming apparent in the county offices of USDA's Agricultural Stabilization and Conservation Service (ASCS). Two weeks ago, the sign-up period for participation in the 1986 commodity programs expired with a rush of farmers who wished to place their acreage in Government programs. A few years ago, only 20 percent of the eligible farmers participated in Federal subsidy programs; however, this year, under the 1985 farm program USDA anticipates that more than 90 percent of our Nation's producers of wheat, corn, cotton and rice have enrolled in these programs.

What may come as a surprise to many of us is that among these farmers of the basic commodities signing-up for the farm programs are a number of dairymen. For example, in Stanislaus County, CA, which did not have a single farmer in last year's corn program, the ASCS office reports that 150 operators have signed up for the program, of which 130 are dairymen. In San Joaquin County, corn program participation has gone from 14 farmers in 1985 to over 100 this year. Not included in that number are the 40 dairymen who signed up for the corn program on the last day and are waiting for ASCS to process their papers and determine their eligibility.

Some of these dairymen are the ones who have agreed to leave the industry via the whole herd buyout. They now find themselves standing next to idle milking equipment, gazing past empty corrals, staring at their fields of corn, which were meant to feed the recently-departed dairy cows. So they have decided to put that acreage into the corn program. Although I have to commend them for their business acumen, I doubt if we in the Congress intended that the result of paying dairymen to leave the dairy subsidy program would be to relocate them in another Federal subsidy program.

Mr. President, it would be incorrect for anyone to construe my remarks as in any way criticizing our Nation's dairymen. They are merely availing themselves of the programs which we in the Congress have regrettably made available to them. In short, they are simply exercising their business judgment. I only wish that the Congress could display such good sense when considering the costs and the results of new subsidy programs, like the whole herd buyout.

If we had, then I suspect the Department of Agriculture would not have found itself on the receiving end of a preliminary injunction. Under the law, USDA—which had opposed the whole herd buyout last year—has implemented an extremely complex and costly program in a commendably short period of time. Whatever shortcomings the Texas judge may have perceived in the program, they have their roots in the statute. And while the Department has agreed to rework the buyout program, it is important for those of us in Congress who may be tempted to criticize the Department to remember that the dairy provision of the farm bill had its origins in the legislative branch not the executive branch of Government.

Similarly, those of us who are concerned about the continuing high cost of dairy subsidies and the persistent surpluses which they create should begin to consider other alternatives to addressing this problem, such as a simple and immediate 50 cent reduction in the price support level or a budgetary limit of, let us say, $500 million which USDA could spend each year to buy surplus dairy products.

That is a kind of business judgment that I think is necessary if we are to begin to seriously attack the problems which this faulty farm bill and this faulty dairy program have created.

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. 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.

Mr. DOLE. Mr. President, let me first announce there will be no further rollcall votes this evening.

EXECUTIVE CALENDAR

Mr. DOLE. Mr. President, I would like to inquire of the distinguished minority leader if he is in a position to confirm the following nominations on the Executive Calendar: Calendar No. 774, Calendar No. 775, Calendar No. 776, and Calendar No. 777.

Mr. BYRD. Mr. President, those nominations have been cleared on this side and we are ready to proceed.

EXECUTIVE SESSION

Mr. DOLE. Mr. President, I ask unanimous consent that the Senate go into executive session to consider the nominations just identified, that the nominations be considered and confirmed en bloc.

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

STATEMENT ON THE NOMINATION OF ANDREW J. KLEINFELD AS U.S. DISTRICT JUDGE

● Mr. MURKOWSKI. Mr. President, today the Senate has been asked to give its advice and consent to the President on his nomination of Andrew J. Kleinfeld, Esquire, to be a United States District Judge for Alaska. By a unanimous vote, the Senate Judiciary Committee has favorably reported this nomination to the Senate, and I urge my colleagues to support Mr. Kleinfeld for this important position.

Mr. President, I would like to share with my colleagues the reasons I strongly endorse Mr. Kleinfeld to be U.S. District Judge. As I noted when I introduced him to the Judiciary Committee, Mr. Kleinfeld is an attorney in the town where I have lived for many years, Fairbanks, AK. He is a respected member of the local bar, and has been endorsed not only by leading citizens of Fairbanks, but also by State officials and leaders throughout the State.

I also note, Mr. President, that Senator TED STEVENS and Congressman DON YOUNG supported Mr. Kleinfeld's nomination before the Judiciary Committee.

Mr. Kleinfeld graduated from Harvard Law School in 1970, and began his law career by clerking for State Supreme Court Justice Jay Rabinowitz. He then decided to remain in Alaska, and established a law practice in Fairbanks. During his 15 years of law practice he has covered a variety of fields of law, although civil litigation has become his specialty.

Mr. Kleinfeld has held key positions of leadership in local and State bar organizations. He served as president of his local bar association, and was later chosen as a member of the board of governors of the Alaska State Bar Association. In 1984, Mr. Kleinfeld served as president of the Alaska State Bar Association.

Mr. Kleinfeld took his duties seriously as bar association president, and improved two key programs. First, he increased the efficiency of the disciplinary system and made it more responsive. Instead of taking 18 months to 2 years to process the average disciplinary case, the bar, under Mr. Kleinfeld's leadership, disposed of cases within a few months. This suggests that Mr. Kleinfeld, as a trial judge, will be sensitive to the needs of litigants to have justice dispensed fairly and promptly.

As bar association president, Mr. Kleinfeld also changed the bar's continuing legal education program from one that offered a small number of lengthy, expensive programs, attended

mostly by attorneys from a few agencies and large firms, into one providing a large number of inexpensive programs attended by young lawyers all over the State.

I might add that Mr. Kleinfeld improved the disciplinary and legal education programs of the State bar without having to seek increases in bar dues.

Mr. President, in making our recommendations to the President, Senator STEVENS, Congressman DON YOUNG and I worked closely with the State bar association to develop a list of qualified candidates, and to poll its members. Through this process, Mr. Kleinfeld was rated highly by attorneys throughout Alaska. In the Fourth Judicial District, where he practices law, the attorneys rated him far higher than any other candidate.

Mr. Kleinfeld's varied background in the practice of law should bring to the bench a full understanding of the cases that would come before him as a U.S. District Judge. It is my firm belief that Andrew Kleinfeld will be an asset to the Federal judiciary and he will strive to exercise the considerable authority of his position justly and with respect for those who will appear before him.

Mr. President, I have enjoyed working with Senator STEVENS, Congressman DON YOUNG, and the Alaska Bar Association in developing a list of candidates and nominees for this position. Through this process, I have been sincerely impressed by the high caliber of persons who expressed an interest in becoming a Federal judge.

Another pleasant part of this process has been getting to know the family of Mr. Kleinfeld. His mother and father, Irving and Shirley Kleinfeld, have taken an active and proud interest in their son's elevation to the bench. Mr. Kleinfeld's wife Judy, a professor at the University of Alaska-Fairbanks, has provided him strong support and encouragement. Their children—Daniel, 11 years old, Rachel, 10, and Joshua, 8—are a source of joy to their parents and grandparents. As Mr. Kleinfeld assumes his new duties, I am confident he will continue to draw support from his fine family.

Finally, Mr. President, I take this opportunity to pay tribute to the extraordinary leadership of the senior Senator from South Carolina, Senator THURMOND. In so many ways, Senator THURMOND is an inspiration to his colleagues. As chairman of the Judiciary Committee, he consistently provides strong and able guidance. I am deeply grateful for his thoughtfulness and solid support in the handling of the nomination of Mr. Kleinfeld.

Mr. President, I urge my colleagues to support the confirmation of Andrew J. Kleinfeld to be United States District Judge for Alaska.●

The PRESIDING OFFICER. Without objection, the nominations are considered en bloc and confirmed en bloc.

The nominations confirmed en bloc are as follows:

THE JUDICIARY

Andrew J. Kleinfeld, of Alaska, to be U.S. district judge for the district of Alaska.

DEPARTMENT OF JUSTICE

John W. Gill, Jr., of Tennessee, to be U.S. attorney for the Eastern District of Tennessee.

Frank W. Donaldson, of Alabama, to be U.S. attorney for the Northern District of Alabama.

Breckinridge L. Willcox, of Maryland, to be U.S. attorney for the District of Maryland.

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 that the Senate has given its consent to these nominations.

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

LEGISLATIVE SESSION

Mr. DOLE. Mr. President, I ask unanimous consent that the Senate now return to legislative session.

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

UNIFORMED SERVICES RETIREMENT COST REDUCTION ACT

Mr. DOLE. Mr. President, I now ask unanimous consent that the Senate turn to the consideration of S. 2395, the Uniformed Services Retirement Cost Reduction Act.

The PRESIDING OFFICER. The bill will be stated by title.

The legislative clerk read as follows:

A bill (S. 2395) 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.

The PRESIDING OFFICER. Is there objection?

Mr. BYRD. There is no objection.

There being no objection, the Senate proceeded to consider the bill.

PLACEMENT OF A PLAQUE AT THE ORIGINAL SITE OF PROVIDENCE HOSPITAL

Mr. DOLE. Mr. President, I ask unanimous consent that the Senate now turn to the consideration of H.R. 4382, a bill requiring the Architect of the Capitol to place a plaque at the original site of Providence Hospital, just received from the House of Representatives.

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

The clerk will state the bill by title.

The legislative clerk read as follows:

A bill (H.R. 4382) to require the Architect of the Capitol to place a plaque at the original site of Providence Hospital.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which was considered to have been read the second time.

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be proposed, the question is on the third reading of the bill.

The bill (H.R. 4382) was read the third time and passed.

Mr. DOLE. I move to reconsider the vote by which the bill was passed.

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

The motion to lay on the table was agreed to.

ORDERS FOR THURSDAY

RECESS UNTIL 10 A.M.

Mr. DOLE. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in recess until the hour of 10 a.m. Thursday, May 15, 1986.

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

RECOGNITION OF CERTAIN SENATORS

Mr. DOLE. Mr. President, I further ask unanimous consent that, following the recognition of the two leaders under the standing order, there be special orders in favor of the following Senators for not to exceed 5 minutes each: Senators BYRD, HAWKINS, CRANSTON, COHEN, PROXMIRE, PRESSLER, GORE, MCCONNELL, and BIDEN.

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

ROUTINE MORNING BUSINESS

Mr. DOLE. Following the special orders just identified, I ask unanimous consent that there be a period for the transaction of routine morning business, not to extend beyond the hour of 11 a.m., with Senators permitted to speak therein for not more than 5 minutes each.

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

ORDER TO RESUME CONSIDERATION OF S. 2395

Mr. DOLE. Mr. President, following routine morning business on tomorrow, the Senate will resume consideration of Calendar 638, S. 2395, the Uniformed Services Retirement Cost Reduction Act. Votes can be expected throughout the day on Thursday, May 15, 1986.

AGENDA

Mr. DOLE. Mr. President, I am prepared to respond to the distinguished minority leader if he has a question concerning Friday.

Mr. BYRD. I thank the distinguished majority leader.

What is the outlook for a session on Friday, and what will be the outlook for rollcall votes in the event there is a session on Friday?

Mr. DOLE. Mr. President, I am of the opinion if we finish the retirement bill at a fairly early time, we would then move to the consideration of S. 2180, a bill to authorize appropriations for activities under the Federal Fire Prevention and Control Act of 1974. If we start action on that, there would be no Friday session.

□ 1800

I am prepared to say that at this time, that we will not be in session on Friday.

Mr. BYRD. I thank the distinguished majority leader.

Mr. DOLE. On Monday, if there are any votes, they will occur not before, say, 3 p.m.

Mr. BYRD. Mr. President, I thank the distinguished majority leader.

RECESS UNTIL TOMORROW AT 10 A.M.

Mr. DOLE. Mr. President, there being no further business to come before the Senate, I move that the Senate stand in recess until 10 a.m. on Thursday, May 15, 1986.

The motion was agreed to and, at 5:58 p.m., the Senate recessed until tomorrow, May 15, 1986, at 10 a.m.

NOMINATIONS

Executive nominations received by the Senate May 14, 1986:

THE JUDICIARY

William D. Stiehl, of Illinois, to be U.S. district judge for the southern district of Illinois vice a new position created by Public Law 98-353, approved July 10, 1984.

John E. Conway, of New Mexico, to be U.S. district judge for the district of New Mexico vice Bobby Ray Baldock, elevated.

Edwin M. Kosik, of Pennsylvania, to be U.S. district judge for the middle district of Pennsylvania vice Malcolm Muir, retired.

DEPARTMENT OF JUSTICE

J. Michael Fitzhugh, of Arkansas, to be U.S. attorney for the western district of Arkansas for the term of 4 years vice W. Asa Hutchinson, resigned.

Leon B. Kellner, of Florida, to be U.S. attorney for the southern district of Florida for the term of 4 years, vice Stanley I. Marcus, resigned.

Hinton R. Pierce, of Georgia, to be U.S. attorney for the southern district of Georgia for the term of 4 years, reappointment.

James G. Richmond, of Indiana, to be U.S. attorney for the northern district of Indiana for the term of 4 years vice R. Lawrence Steele, Jr., resigned.

Jerome G. Arnold, of Minnesota, to be U.S. attorney for the district of Minnesota for the term of 4 years vice James M. Rosenbaum, resigned.

Andrew J. Maloney, of New York, to be U.S. attorney for the eastern district of New York for the term of 4 years vice Raymond J. Dearie, resigned.

Joe B. Brown, of Tennessee, to be U.S. attorney for the middle district of Tennessee for the term of 4 years, reappointment.

Brent D. Ward, of Utah, to be U.S. attorney for the district of Utah for the term of 4 years, reappointment.

John Perry Alderman, of Virginia, to be U.S. attorney for the western district of Virginia for the term of 4 years, reappointment.

Joseph P. Stadtmueller, of Wisconsin, to be U.S. attorney for the eastern district of Wisconsin for the term of 4 year, reappointment.

Warren D. Stump, of Iowa, to be U.S. Marshal for the southern district of Iowa for the term of 4 years, reappointment.

Denny L. Sampson, of Nevada, to be U.S. Marshal for the district of Nevada for the term of 4 years, reappointment.

Donald W. Wyatt, of Rhode Island, to be U.S. Marshal for the district of Rhode Island for the term of 4 years, reappointment.

FEDERAL MINE SAFETY AND HEALTH REVIEW COMMISSION

Joyce Doyle, of New York, to be a member of the Federal Mine Safety and Health Review Commission for a term expiring August 30, 1992, reappointment.

NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES

Diana D. Denman, of Texas, to be a member of the National Museum Services Board for a term expiring December 6, 1990, vice Liles B. Williams, term expired.

PEACE CORPS NATIONAL ADVISORY COUNCIL

The following-named persons to be Members of the Peace Corps National Advisory Council for the terms indicated, new positions:

For terms of 1 year expiring November 29, 1986:

Frank C. Kiehne, of Pennsylvania.
Gary D. Robinson, of Washington.
Laren R. Robison, of Utah.
Sue Wagner, of Nevada.

For terms of 2 years expiring November 29, 1987:

Paul Koehler, of Texas.
Alice Roxana Thompson, of Virginia.

IN THE NAVY

The following-named Naval Reserve Officers' Training Corps Program candidate to be appointed permanent ensign in the line of the U.S. Navy, pursuant to title 10, United States Code, section 531:

Michael J. Warden

The following-named Navy enlisted commissioning program candidates to be appointed permanent ensign in the line or staff corps of the U.S. Navy, pursuant to title 10, United States Code, section 531:

Charles S. Bibbs
Mark K. Borojevich
Michael V. Cooperwood
Jeffrey J. Dunn
Randy S. Fenz
Paul Griffin, Jr.
David M. Hyden
Barry L. Miller
Charles F. Wrightson

The following-named Naval Reserve officers to be appointed permanent ensign in the line or staff corps of the U.S. Navy, pursuant to title 10, United States Code, section 531:

Jon L. Baca
Daniel R. Bornarth
William T. Costen
William R. Gailmard
Richard S. Gates
Mark J. Genereaux
Marius J. Hall
Barry H. Lucas
Mark Mastren
Victor M. Mason
Robert L. McGee, Jr.
Brian A. Osborn
Christoper A. Sullivan
Michael J. Whelan

The following-named Navy enlisted candidates to be appointed permanent chief warrant officer, W-2, in the U.S. Navy, pursuant to title 10, United States Code, section 555:

William D. French
Clifford E. Jones III
Andrew L. Nims

The following-named U.S. Navy officers to be appointed permanent commander in the medical corps of the U.S. Naval Reserve pursuant to title 10, United States Code, section 593:

Walter B. Goff
James C. Jamison
Mary C. Shen

CONFIRMATIONS

Executive nominations confirmed by the Senate May 14, 1986:

THE JUDICIARY

Andrew J. Kleinfeld, of Alaska, to be U.S. district judge for the district of Alaska.

DEPARTMENT OF JUSTICE

John W. Gill, Jr., of Tennessee, to be U.S. attorney for the eastern district of Tennessee for the term of 4 years.

Frank W. Donaldson, of Alabama, to be U.S. attorney for the northern district of Alabama for the term of 4 years.

Breckinridge L. Willcox, of Maryland, to be U.S. attorney for the district of Maryland for the term of 4 years.

HOUSE OF REPRESENTATIVES—*Wednesday, May 14, 1986*

The House met at 11 a.m.

The Reverend Edward G. Latch, D.D., former Chaplain, U.S. House of Representatives, offered the following prayer:

Trust in the Lord forever; for in the Lord is everlasting strength.—Isaiah 26:4.

O God, our Father, on this day of days when we assemble with our former companions, we pause in Your presence to offer unto You the gratitude of our hearts and to receive the ministry of Your grace. Help us to use these hours to think clearly, to labor industriously, to love wisely, and to keep our spirits on high levels of thought. May we now and always work to keep justice and freedom and good will alive in our world.

We pray for our President, our Speaker, the Members of this body past and present and for all who labor with them on Capitol Hill. Together may we keep ourselves committed to You and to the guidance of Your spirit for the greater good of our Nation and the brighter benefit of all mankind. Amen.

THE JOURNAL

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

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

MESSAGE FROM THE SENATE

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

H.R. 3622. An act to amend title 10, United States Code, to strengthen the position of Chairman of the Joint Chiefs of Staff, to provide for more efficient and effective operation of the Armed Forces, and for other purposes.

RECESS

The SPEAKER. Pursuant to the order of the House of May 1, 1986, the Chair declares the House in recess, subject to the call of the Chair, to receive the former Members of Congress.

Accordingly (at 11 o'clock and 2 minutes a.m.), the House stood in recess subject to the call of the Chair.

□ 1103

RECEPTION OF FORMER MEMBERS OF CONGRESS

The SPEAKER of the House presided.

The SPEAKER. It is once again my privilege to welcome the distinguished Members of the Congress of the United States into the Chamber that they served so well.

I want to extend more than a welcome to you, however. I want to express the appreciation of the Congress for your continued dedication to public service and for all the contributions that you have made as Members and as private citizens on behalf of all of us.

This will be the last time that I will address you from this Chair. Though it has been my pleasure to welcome you for the last 10 years, next year I will be out there and will have joined you.

Welcome again. I am delighted to see you and have you all here today.

The Chair now recognizes the distinguished minority leader, the gentleman from Illinois [Mr. MICHEL]. The gentleman has been around here longer than I have. I have only been here 34 years. BOB was an administrative assistant. The gentleman has been here in his forties and the gentleman holds his age very well; he is playing golf better than he ever did.

Mr. MICHEL. Thank you, Mr. Speaker, and my colleagues, present and former.

Mr. Speaker, I have to say, quite frankly, looking at the numbers here this morning, maybe we ought to go back in session and I could quickly call up the rule on the budget and the trade bill and we would fare a heck of a lot better than what we have been faring around here, because, as some of you know, we are behind over here by 71 votes and it is not often we are winning things. The Speaker has things pretty well locked up around here. John, you know that so well.

I got to thinking this morning that here it is my 30th year, and as I look around among the Members whether there is any Member who has been in the minority any longer than I have. But it does get mighty debilitating and discouraging. You folks understand that, I guess.

I am sorry that last year when you all were here I was detained or called away to some darn place and TRENT LOTT had to fill in for me, but there is no greater feeling than when I see some of you plying the Halls from time to time or coming back on occasion. There is just something extra special there. I guess if there is one principle which is at the heart of this institution, it is the reverence for tradition in our rules and, I guess, our rituals, and the very atmosphere in which we conduct our work radiates a reverence for the virtues as well as the forms of the past. That is why I am so glad to see so many of you here again today.

When you all come back, I think it is much more than an exercise in nostalgia. It is a reminder that this House of Representatives is a living institution, dependent upon what has gone on before for its strength and its purpose. I guess you former Members remind us of the invisible but infinitely strong bond that ties together those of us who serve and those who have served. What we have done together here I do not think is ever going to die, the battles and the victories and the defeats and the sense of comity and civility that can be found, however deeply buried beneath the squabbles. All of these come back to us when former Members join us.

And this coming year is going to be an extra special one, I guess, when we celebrate the bicentennial of the Congress. There is a commission now making determinations on whether or not we might take a day and go up to Philadelphia.

Incidentally, we are talking about paying our own way if we go.

It may be that this organization, too, might want to be giving some thought if that comes about to having some representation there at that very historic occasion.

But be that as it may, it is just so good for me to be here and welcoming you. Obviously, through most of my adult life, this has been my home, this has been my work. But the very fact that I have met so many wonderful people who I have now come to know as my closest dearest friends came about through our association and community of interest in the field of politics.

I hope you all have a good meeting and that it will be very rewarding for each and every one of you who made the extra effort to come.

Thank you.

The SPEAKER. The Chair recognizes on behalf of the new young leaders in the House the chairman of the Committee to Reelect the Democratic Congress, the gentleman from California [Mr. COELHO].

Mr. COELHO. Thank you, Mr. Speaker.

It is a pleasure to be here and to welcome you on behalf of the Democratic leadership. Welcome back.

I first want to acknowledge my boss, who is still my boss, an individual I worked with for 14 years, and then I took his place, Congressman Bernie Sisk. I am pleased that he has come back for the first time since the election of 1978 and that the gentleman is here in Washington.

We are pleased that you are here. We, first of all, want to congratulate you and thank you for your efforts to go out across the country and go to the colleges and try to educate people in the colleges with regard to what the Congress does and does not do. That is one of the things that we need a lot of help on. The fact that you people decided to take it on is fabulous as far as we are concerned. You can provide a great service to us as an institution, but you can also provide a great service to this country, because I think you appreciate as much as we do that the institution that you represented and the institution that we are part of today is something that needs to be preserved and needs to be understood. You people appreciate that and can communicate that message better than we who are in it and better than the press and others. So we applaud you and thank you for it.

I was standing in for the gentleman from Texas [Mr. WRIGHT]. I saw the gentleman sneak in to my right. If the Speaker will permit me, I will turn the mike over to the majority leader [Mr. WRIGHT] to say his appropriate remarks.

The SPEAKER. The Chair recognizes the gentleman from Texas [Mr. WRIGHT].

Mr. WRIGHT. Mr. Speaker, I was enjoying listening to TONY.

I look out among you and I see so many familiar faces that I am reminded of Bacon's line, "Old wood is best to burn; old wine to drink; old friends to trust."

□ 1110

There are floods of memories that come gushing back from the days when we served together. I recognize faces that I have not seen for a long time, although among you are those I have seen as recently as last year and some as recently as last week. I look out and see people who came here when I did. I see before me a gentleman who represented the district in which then President Eisenhower resided and was the President's Congressman. I look over and see Fred Schwengel, who came here the day I did and was sworn in on the same day. He and I were former mayors and assigned to the same committee and there developed a camaraderie and a bond of friendship that transcends party lines. And there developed in those days, as I hope and trust there still does and always will, a kind of a mutual sense of honor and acceptance and friendship that envelops this Chamber with an ambience of good will and civility. That is something we have to keep alive here. We have a little troubles nowadays. Some of the folks coming in are not steeped in the traditions of civility and accepting one another's sincerity in the same degree that they expect others to accept theirs, but we are working on that and trying to preserve and protect those traditions as well as we can.

Welcome. It is nice to see you. It is always good to see you. Keep the organization alive and thriving, because there are some of us who are going to come and join you one of these days—we hope at our own initiative and not that of someone else.

The SPEAKER. For my own personal satisfaction, I would like to see if we can determine the oldest Member of the group that is here. Are there any Members here who served in the 1920's in Congress?

Did anybody serve in the 1930's? Two Members served in the 1930's. That is beautiful.

We normally at this particular time call the roll. The Clerk will call the roll of the former Members.

The Clerk called the roll of the former Members of the Congress, and the following former Members answered to their names:

ROLLCALL OF FORMER MEMBERS OF CONGRESS ATTENDING 16TH ANNUAL SPRING MEETING, MAY 14, 1986

Hugh Q. Alexander of North Carolina;
William H. Ayres of Ohio;
Robert R. Barry of New York;
Laurie C. Battle of Alabama;
J. Glenn Beall, Jr., of Maryland;
J. Caleb Boggs of Delaware;
Donald G. Brotzman of Colorado;
Charles B. Brownson of Indiana;
William T. Cahill of New Jersey;
Elford A. Cederberg of Michigan;
Charles E. Chamberlain of Michigan;
Jeffery Cohelan of California;
Albert M. Cole of Kansas;
W. Sterling Cole of New York;
William C. Cramer of Florida;
Samuel L. Devine of Ohio;
Michael A. Feighan of Ohio;
Paul A. Fino of New York;
L.H. Fountain of North Carolina;
Nick Galifianakis of North Carolina;
Robert P. Hanrahan of Illinois
Ralph R. Harding of Idaho;
Porter Hardy, Jr., of Virginia;
Jeffrey P. Hillelson of Missouri;
Patrick J. Hillings of California;
Chet Holifield of California;
John E. Hunt of New Jersey;
A. Oakley Hunter of California;
Jed Johnson, Jr., of Oklahoma;
Walter H. Judd of Minnesota;
David S. King of Utah;
Horace R. Kornegay of North Carolina;
John V. Lindsay of New York;
Wm. S. Maillard of California
Robert McClory of Illinois;
George Meader of Michigan;
D. Bailey Merrill of Indiana;
John S. Monagan of Connecticut;
William S. Moorhead of Pennsylvania;
Ron Paul of Texas;
Howard W. Pollock of Alaska;
Joel Pritchard of Washington
James M. Quigley of Pennsylvania;
John J. Rhodes of Arizona;
John M. Robsion, Jr., of Kentucky;
Harold S. Sawyer of Michigan;
Fred D. Schwengel of Iowa;
Hugh Scott of Pennsylvania;
William L. Scott of Virginia;
Garner Shriver of Kansas;
Carlton R. Sickles of Maryland;
B.F. Sisk of California;
Henry P. Smith III of New York;
William L. Springer of Illinois;
Robert Taft, Jr., of Ohio;
John H. Terry of New York;
Charles Vanik of Ohio;
Charles W. Whalen, Jr., of Ohio;
Larry Winn, Jr., of Kansas;
Ralph W. Yarborough of Texas;
Herbert Tenzer of New York;
John Blatnik of Minnesota;
Frank Ikard of Texas;
Peter Kyros of Maine;
Jim Lloyd of California;
John Wydler of New York.

The SPEAKER. A quorum has been established.

Before the Chair recognizes the gentleman from Pennsylvania, James M. Quigley, who will run the affair, I will mention that years ago, when I was Speaker of the Massachusetts Legislature, it was customary for us to turn the gavel over to the minority. When the Republicans had control, they would turn the gavel over to the minority. Here in the House, in my 34 years, when Joe Martin was Speaker or Sam Rayburn was Speaker or John McCormack was Speaker or Carl Albert was Speaker or myself, we have never turned the gavel over, and so Republican leaders have looked yearningly with their eyes to the seat up here but never had their seat on the seat. I see John Rhodes, who for 6 years was the opposition party leader. John, would you be kind enough to preside? John Rhodes of Arizona, my very dear friend.

Mr. RHODES (presiding). The Chair recognizes the gentleman from Pennsylvania, the Honorable James M. Quigley, our distinguished president.

Mr. QUIGLEY. Mr. President, it is a privilege and a pleasure for me to present the Annual Report of the Association of Former Members of Congress. We are grateful to you, Mr. Speaker, and to the minority leader, Congressman BOB MICHEL, for arranging for us to be here on the floor of

the House for this the 16th annual meeting of our association.

Mr. Speaker, to be chosen by one's fellow citizens to represent them in the U.S. Congress is an honor which has been bestowed on relatively few Americans in the life of our Republic. In fact, since the first Congress convened on March 4, 1789, to this very day exactly 11,120 Americans have been so honored. Those of us whose lives are forever enriched by the memory of that honor cannot easily shed the sense of responsibility that accompanied it. Nor do most of us want to. Our deep gratitude for having had the privilege of serving in institutions of a free society remains lifelong; and the opportunities to continue to be of service provide unending satisfaction to a great majority of your former colleagues.

Sixteen years ago, our colleagues Dr. Walter H. Judd of Minnesota, who is here with us today, and the late Brooks Hays of Arkansas, created this association because of their own strong desire for continued service after leaving the Congress and because of their confidence that this desire was shared by their fellow alumni of the Congress. The Association is a nonprofit education, research, and social organization whose basic reason for being is to promote the cause of representative government by improving public understanding of the Congress as an institution. Congress gave its formal approval to this purpose when it granted a Federal charter to the association in 1982.

The association strives scrupulously to remain bipartisan. We select one-half of our board of directors from Republican members and one-half from Democratic members. We also seek to balance our officers between former Members of the House and Senate.

None of the work we do could be accomplished without the cooperation of the Congress and its leadership. Many of the programs we undertake are designed to lighten the burden of sitting Members so that they may direct their time and attention to your far more important responsibilities. An excellent example of just such a program is the liaison role we play for members of foreign parliaments and other foreign dignitaries visiting Washington. Serving as a combined protocol and surrogate host, we have been able to extend a warm welcome and enrich the visits of members of legislative bodies from 40 countries. These visitors were also welcomed by many Members of Congress, they were introduced to the workings of Capital Hill and helped in an understanding of important differences between our system and their systems of government.

The Liaison In Washington Program was funded initially by a 2-year grant of $135,250 from the Ford Foundation.

I am pleased to report, Mr. Speaker, that this year our association was able to take a major step well beyond extending hospitality and protocol. One of the hopeful signs of our times is the number of nations that have thrown off repressive regimes and are now moving in the direction of democracy. The news in this regard out of South America is especially encouraging. But achieving a democratic system of government requires much more than high hopes and good intentions. It demands knowledge and dedication. In an effort to provide some of the knowledge, our association has become involved in a program which brings legislators from interested foreign countries to Washington for prolonged and intensive study of the operations of the U.S. Congress.

We began in February when 11 representatives of the Argentine National Congress spent 3 weeks here in Washington. The recently reconstituted Argentine Congress had only a handful of members with any legislative experience. They came here to learn about what you do and how you do it. They were anxious to know more about the working of the congressional committee system, to study the operations of the congressional staff, the technical services available to individual Members of Congress, and to get a better understanding of the role of lobbying. In general, they were overwhelmed by the amount and variety of informational input into Congress and both the power and independence of the individual Members. In this initial educational effort we have had splendid cooperation from not only Members of Congress, but also from the Congressional Research Service, the Congressional Budget Office, the General Accounting Office, and the Office of Technology Assessment, as well as officials of the administration.

Perhaps not surprisingly in the light of their country's history, our Argentine visitors were particularly interested in the American tradition of civilian control of the military. In this regard their visit to the Pentagon for a splendid briefing by our old colleague John Marsh had to be the highlight of their stay.

Mr. Speaker, both of the programs I have just described were experimental in nature. The results have been positive and encouraging. Our association is now exploring ways which would expand these initial efforts and, hopefully, establish them on a permanent basis.

Over the years. our association had been successful in our efforts to build bridges to other democracies. We have sponsored a number of conferences involving Members of Congress and Members of the German Bundestag and the Japanese Diet. This past year, in August 1985, our association sponsored a program at the Scandinavian Seminar College near Copenhagen, Denmark. Members of the Danish, Norwegian, and Swedish Parliaments met for 3 days with a delegation of eight members of the House of Representatives, four Democrats and four Republicans, representing every geographic area of the country. The theme of the meeting was "Political Perspectives on Major Economic Issues." The American participants were unanimous in expressing the opinion that these face-to-face conversations among legislators from different countries was extremely valuable in improving the level of understanding of their respective points of view and the operations of their legislative bodies. Since the meetings were held in a collegial surrounding, there was good opportunity to get to know each other in an informal environment. The meeting was sponsored by the Scandinavian Seminar College, with help from the German Marshall Fund of the United States and the United States Information Agency.

Next month, the association will host a multiparty delegation from the Bundestag of the Federal Republic of Germany. As now planned, our German visitors will each spend a full day with an individual Member of Congress, observing the typical day's work and participating in all of your activities except during the time when the Member is on the floor. The following weekend each Bundestag Member will accompany an individual Member to his own congressional district.

Still under discussion is a somewhat similar program which would bring to the United States Members of the newly elected French National Assembly. During their stay here in Washington they would have the opportunity to observe how our legislature functions in a divided government, something France must now adjust to and for which its legislators have no experience. If the details can be worked out, the program will include also a week-long look at some of the congressional election campaigns which will be going on at that time.

We are hoping also to do an election-time program for a delegation of Members of the Australian and New Zealand Parliaments in late October and early November. This results from a visit to those countries by JOHN LINDSAY of New York and JIM COYNE of Pennsylvania at which the idea for the program received enthusiastic endorsement from the Prime Ministers of both countries and the speakers of their parliaments. It is everyone's hope during this time of concern over the ANZUS Treaty that we will in this way improve opportunity for frank exchanges and mutual understanding between the decisionmakers of our respective countries.

In addition to arranging for contacts between Members of Congress and those of foreign legislatures, the association has been encouraging the formation of counterpart organizations in other countries and strengthening communication with them. It now appears that the existing associations of former members in Argentina, Austria, Brazil, France, Germany, Italy, Switzerland, and the United Kingdom are about to be joined by a similar association being organized in Canada. And recently the Embassy of Denmark called asking for information about how to establish an association there. We hope that in coming years this emerging network will expand to include all democratic countries and that each of these associations will develop comparable programs aimed at advancing the democratic process.

CAMPUS FELLOWS PROGRAM

Since it began in 1977, our Campus Fellows Program has been the association's proudest boast. Under this program, our own congressional alumni visit college campuses to give lectures, conduct seminars, to answer questions so that the members of the younger generation might gain a better understanding of the importance of the Congress and how this institution works. To date, we have made 204 visits to compuses in 49 States. For the past 5 years, the Charles Stewart Mott Foundation has been the chief sponsor of our Campus Fellows Program.

With support from the Ford Foundation, the Rockefeller Foundation, the Exxon Education Foundation and the United States-Japan Foundation, we have been able to give this Campus Fellows Program an international dimension. Under the association's International Fellows Program, former parliamentaries from the United Kingdom, France, Norway, the Federal Republic of Germany, Canada, and Brazil have spent several days each at a total of more than 30 American colleges in every section of our country. These visiting foreign legislators provide a resource heretofore unknown, particularly on the small American campuses, and they contribute to a greater understanding of other countries among students, faculty, and in local communities.

□ 1135

Mr. Speaker, I am happy to note that present with us today at our annual meeting are two of the people who have participated in this International Fellows Program: George Kahn-Ackermann, a former Member of the German Bundestag, and Alan Lee Williams, who is a former Member of the British House of Commons.

Just this week, Mr. Williams participated in programs at Auburn University and at Georgia University.

At this point, Mr. Speaker, I ask unanimous consent to insert in the RECORD the list of 204 campus visits along with the 216 sponsors of our association who provide the financial support to make these educational programs possible.

Mr. RHODES (presiding). Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The material referred to follows:

COLLEGES AND UNIVERSITIES VISITED UNDER THE CONGRESSIONAL ALUMNI CAMPUS FELLOWS PROGRAM

COLLEGE/UNIVERSITY, STATE, AND FELLOW

Alaska Pacific University, Alaska, William S. Mailliard (California).

Albion College, Michigan, David S. King (Utah).

Albion College, Michigan, Ted Kupferman (New York).

Albion College, Michigan, Martha Keys (Kansas).

Alfred University, New York, Frank E. Moss (Utah).

American College in Paris, France, David S. King (Utah).

American College in Paris, France, Byron L. Johnson (Colorado).

Arizona State University, Arizona, Gale W. McGee (Wyoming).

Arizona State University,[1] Arizona, Jacques Soustelle (France).

Assumption College, Massachusetts, Gale W. McGee (Wyoming).

Auburn University, Alabama, William L. Hungate (Missouri).

Auburn University, Alabama, Alan Lee Williams (United Kingdom).

Avila College,[1] Kansas, Karin Hafstad (Norway).

Bainbridge Jr. College, Georgia, Gilbert Gude (Maryland).

Baylor University, Texas, James Roosevelt (California).

Baylor University,[1] Texas, Peter von der Heydt (Germany).

Bradley University, Illinois, Charles W. Whalen, Jr. (Ohio).

Brandeis University, Massachusetts, Abner J. Mikva (Illinois).

Brandeis University, Massachusetts, L. Richardson Preyer (North Carolina).

Brenau College, Georgia, Ralph W. Yarborough (Texas).

Brigham Young University,[1] Utah, Jacques Soustelle (France).

California Poly. State—San Luis Obispo, California, Frank E. Evans (Colorado).

California Poly. State—San Luis Obispo, California, Ralph W. Yarborough (Texas).

California Poly. State—Pomona, California, Robert R. Barry (New York).

Cameron University, Oklahoma, William L. Hungate (Missouri).

Cameron University, Oklahoma, Dick Clark (Iowa).

Cameron University, Oklahoma, William Hathaway (Maine).

Carleton College, Minnesota, William S. Mailliard (California).

Carroll College, Montana, Ralph W. Yarborough (Texas).

Chaminade College, Hawaii, Catherine May Bedell (Washington).

Chatham College, Pennsylvania, Catherine May Bedell (Washington).

Chatham College, Pennsylvania, Martha Keys (Kansas).

Clarke College, Georgia, William L. Hungate (Missouri).

Clarke College, Georgia, William S. Mailliard (California).

Colgate University, New York, William S. Mailliard (California).

College of the Sequoias, California, Gale W. McGee (Wyoming).

Colorado State University,[1] Colorado, Alastair Gillespie (Canada).

Columbia College, South Carolina, Catherine May Bedell (Washington).

Columbia College, South Carolina, Martha Keys (Kansas).

Columbia College, South Carolina, James M. Quigley (Pennsylvania).

Concordia College, Michigan, Walter H. Moeller (Ohio).

Connecticut College, Connecticut, Ralph W. Yarborough (Texas).

Converse College, South Carolina, Jed Johnson, Jr. (Oklahoma).

Dartmouth College, New Hampshire, John O. Marsh, Jr. (Virginia).

Dartmouth College, New Hampshire, William S. Mailliard (California).

Davis & Elkins College, West Virginia, Frank E. Moss (Utah).

Davis & Elkins College, West Virginia, J. Glenn Beall, Jr. (Maryland).

Denison University, Ohio, Frank E. Moss (Utah).

DePauw University, Indiana, Hugh Scott (Pennsylvania).

Dillard University,[1] Louisiana, Georg Kahn-Ackermann (Germany).

Doshisha University, Japan, Catherine May Bedell (Washington).

Duke University, North Carolina, Georg Kahn-Ackermann (Germany).

Eckerd College, Florida, William L. Hungate (Missouri).

Elmira College, New York, Charles W. Whalen, Jr. (Ohio).

Friends University, Kansas, Henry P. Smith, III (New York).

Furman University, South Carolina, Jed Johnson, Jr. (Oklahoma).

Georgetown University,[1] Washington, DC, Celio Borja (Brazil).

Grinnell College, Iowa, Neil Staebler (Michigan).

Guilford College, North Carolina, Gale W. McGee (Wyoming).

Gustavus Adolphus College, Minnesota, Charles W. Whalen, Jr. (Ohio).

Hamilton College, New York, William S. Mailliard (California).

Hartwick College, New York, Ralph W. Yarborough (Texas).

Hiram College, Ohio, Howard H. Gallaway (Georgia).

Hirman College, Ohio, Roman L. Hruska (Nebraska).

Hope College, Michigan, Walter H. Judd (Minnesota).

Hope College, Michigan, Gale W. McGee (Wyoming).

Hope College, Michigan, Catherine May Bedell (Washington).

Idaho State University, Idaho, John R. Schmidhauser (Iowa).

Indiana State University, Indiana, Gordon L. Allot (Colorado).

Indiana Univ. Northwest, Indiana, Neil Staebler (Michigan).

Indiana Univ. Northwest, Indiana, William L. Hungate (Missouri).

Indiana Univ. Northwest, Indiana, Robert Drinan (Massachusetts).

Jackson State University, Mississippi, Allard K. Lowenstein (New York).

Johns Hopkins University, Maryland, Hugh Scott (Pennsylvania).

Johns Hopkins University,[1] Washington, DC, Celio Borja (Brazil).

Kansai University, Japan, Frank E. Moss (Utah).

Kansas-Newman College, Kansas, Henry P. Smith, III (New York).
Kansas State University, Kansas, Paul N. McCloskey, Jr. (California).
Keio University, Japan, Frank E. Moss (Utah).
King College, Tennessee, Charles W. Whalen, Jr. (Ohio).
King's College, Pennsylvania, Philip Hayes (Indiana).
Kirkland College, New York, William S. Mailliard (California).
Kwansei Gakuin University, Japan, Frank E. Moss (Utah).
LaGrange College, Georgia, Ralph W. Yarborough (Texas).
Lake Forest College, Illinois, Ralph W. Yarborough (Texas).
Lindenwood College, Missouri, Gaylord Nelson (Wisconsin).
Longwood College, Virginia, Paul W. Cronin (Massachusetts).
Luther College, Iowa, Gilbert Gude (Maryland).
McNeese University, Louisiana, William S. Mailliard (California).
Marshall University, West Virginia, John J. Gilligan (Ohio).
Mary Hardin Baylor, Texas, Brooks Hays (Arkansas).
Matanuska-Susitna Community College, Alaska, William L. Hungate (Missouri).
Mesa Community College, Arizona, Gale W. McGee (Wyoming).
Miami University-Middletown, Ohio, James Roosevelt (California).
Miami University-Middletown, Ohio, James W. Symington (Missouri).
Mid-America Nazarene, Kansas, John Dellenback (Oregon).
Millsaps College, Mississippi, Allard K. Lowenstein (New York).
Montclair State College, New Jersey, Walter H. Judd (Minnesota).
Montclair State College, New Jersey, Ralph W. Yarborough (Texas).
Morehead State University, Dan Kuykendall (Tennessee).
Morehouse College, Georgia, William S. Mailliard (California).
Morehouse College, Georgia, William L. Hungate (Missouri).
Morris Brown College, Georgia, William S. Mailliard (California).
Morris Brown College, Georgia, William L. Hungate (Missouri).
Mount Vernon College, Washington, DC, Martha Keys (Kansas).
Murray State University, Kentucky, Brooks Hays (Arkansas).
Nanzan University, Japan, Catherine May Bedell (Washington).
New York University, New York, George McGovern (South Dakota).
Northern Illinois University, Illinois, William L. Hungate (Missouri).
Northern Kentucky University, Kentucky, Martha Keys (Kansas).
North Park College, Illinois, Karin Hafstad (Norway).
Northwestern University, Illinois, Karin Hafstad (Norway).
Oklahoma State University, Oklahoma, Ralph W. Yarborough (Texas).
Oregon State University, Oregon, Martha Keys (Kansas).
Otterbein College, Ohio, James Roosevelt (California).
Purdue University Calumet, Indiana, William L. Hungate (Missouri).
Purdue University Calumet, Indiana, Robert F. Drinan (Massachusetts).
Randolph-Macon College, Virginia, Gale W. McGee (Wyoming).
Randolph-Macon College, Virginia, Hugh Scott (Pennsylvania).
Rockhurst College,[1] Kansas, Karin Hafstad (Norway).
Rose Hulman Institute of Technology, Indiana, Gordon L. Allott (Colorado).
St. Cloud State University, Minnesota, Charles W. Whalen, Jr. (Ohio).
St. Lawrence University, New York, Roman L. Pucinski (Illinois).
St. Mary-of-the-Woods, Indiana, Gordon L. Allott (Colorado).
St. Mary's College, Indiana, Gale W. McGee (Wyoming).
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Mr. QUIGLEY. Mr. Speaker, I am pleased to report that we have completed our 3-year study that former President Gerald Ford suggested we undertake to look at institutional questions between the Presidency and the Congress and the conduct of U.S. foreign policy. This study was done under the cochairmanship of former Secretary of State Edmund S. Muskie as a joint project with the Atlantic Council of the United States. The publication was directed by Francis R. Valeo, former Secretary of the Senate, who serves as a consultant to our association, and the late Francis O. Wilcox, who had served as a chief of staff of the Senate Foreign Relations Committee. The publication consists of an opening chapter by Dr. Kenneth Thompson, director of the Miller Center of Public Affairs at the University of Virginia, followed by 10 case studies by recognized scholars on the Congress and foreign policy issues. Copies of this study will be made available to Members of Congress.

A second publication which I hope will soon also be available to Members of Congress is a comparative study of the U.S. Congress and the German Bundestag. The indepth study by distinguished scholars from both countries has been completed, but we have encountered delays in translation and publication in the language of both countries.

An earlier study entitled "The Japanese Diet and the U.S. Congress," a comparative study of the two legislative bodies, that was also edited by Mr. Valeo, has gone through a second printing. Under a new grant from the Japan-United States Friendship Commission, this volume is being updated to include the election processes of the two countries.

IN MEMORIAM

Mr. Speaker, at this point in our annual meeting it is our custom to pause and give thought to our former colleagues who have died since our last meeting in this Chamber. The names I am about to read were known to you; you served with many of them as they served their country.

Leslie C. Arends, Illinois; John W. Bricker, Ohio; John Young Brown, Sr., Kentucky; Bob Casey, Texas; J. Edgar Chenoweth, Colorado; James O. Eastland, Mississippi; Harris Ellsworth, Oregon; Charles K. Fletcher, California; Abe McGregor Goff, Idaho; Charles A. Halleck, Indiana; Mark W. Hannaford, California; J. Edward Hutchinson, Michigan; DeWitt S. Hyde, Maryland; Jacob K. Javits, New York; John Davis Lodge, Connecticut; Martin B. McKneally, New York; George Mahon, Texas; Harold C. Ostertag, New York; Preston E. Peden, Oklahoma; M. Blaine Peterson, Utah; John Phillips, California; Charles W. Sandman, New Jersey; Henry C. Schadeberg, Wisconsin; Armistead I. Selden, Jr., Alabama; John J. Sparkman, Alabama; Gale H. Stalker, New York; James E. Van Zandt, Pennsylvania; Harold H. Velde, Illinois; and H. Jerry Voorhis, California.

I suggest that we now have a moment of silence in memory of these departed brethren.

Mr. RHODES (presiding). May we rise for a moment of silence in tribute to our departed colleagues.

Mr. QUIGLEY. Another tradition at our annual meeting is the presentation of the association's Distinguished Service Award. Each year, the association's board of directors selects a person who exemplifies the spirit of the Congress and honors that person for a distinguished contribution to the Nation through service in the Congress. These awards are alternated between the parties and it is testimony to the vitality of our system that each of our parties provides many outstanding persons whose service can be regarded, readily, as worthy of such recognition.

In today's presentation, it falls to me to honor a member of the other party, I do so with the deepest personal pleasure. As a young Congressman, I watched and listened from the other side of the aisle to the man we honor today. It was not hard to do because he spoke frequently and sometimes a length. But always he spoke with eloquence and with conviction. And while I did not always share his view of the world or agree on some of his solutions to the Nation's problems, I was impressed nonetheless. You had to be impressed then, now, and forever with Walter Judd's sincerity, intelligence, and integrity.

In subsequent years, I became involved with two groups Walter Judd had a big hand in starting: The Association of Former Members of Congress and the Congressional Prayer Breakfast. One of the rewards for this involvement was the opportunity to get to know Walter close up, not separated by the congressional aisle or party politics or religious differences. It has been one of the great experiences of my life.

The distinguished gentleman from Minnesota whom we honor today was actually born in Nebraska 87 years ago. In a long and active life he has managed to crowd in successful careers in medicine, religion, and politics. He enlisted as a private in the Army in World War I and came out a second lieutenant. That says something about initiative and understanding how the system works. Traits that have been the hallmark of his several careers. After the war he went back to Nebraska, finished college and studied medicine. He went to China in 1925 as a medical missionary and ultimately was forced to leave in 1938.

He returned to the United States as a latter-day Paul Revere speaking across the country in an attempt to arouse Americans to the menace of Japan's military expansion. He practiced medicine briefly in Minneapolis but his outspoken eloquence led to his election to the Congress in November 1942 where he served with distinction for the next 20 years.

Without dwelling on the circumstances that led to his becoming a former Member of Congress, it is clear that Walter Judd could not be content with being just a "used Congresman." There had to be life after Congress—a way in which former Members could continue to perform useful public service. An historic luncheon with Brooks Hayes in 1970, led to the discovery that there were former Members from both sides of the aisle who had the same urge for continuing public service. This is what caused the Association of Former Members of Congress to come into being.

And here we are 16 years later. And here we are to honor Walter Judd. Of the many good things he has done in his life, I suspect that his being the cofounder of the Association of Former Members of Congress may prove to be the one for which he is most remembered. I can't speak for history. But it is the way I will best remember him.

Mr. Speaker, and Members of Congress, and especially members of the Association of Former Members of Congress, it is with great pride that I present the association's 1986 distinguished service award to our cofounder the distinguished gentleman from Minnesota, the Honorable Walter Judd.

□ 1145

This is a special treat for me. Here I am speaking from the Republican podium and it is a special treat to be able to present to you, Walter, this citation:

Presented to the Honorable Walter H. Judd on the floor of the House of Representatives by the United States Association of Former Members of Congress in recognition of his distinguished service to the Republic.

May 14, 1986, Washington, DC.

Mr. JUDD. Thank you so very much.

Jim Quigley, the Chinese have a saying, "Kan Tsae Jin."

"Thank you, without any possible limitation upon it."

Needless to say, I am deeply grateful for this great honor: the Distinguished Service Award of the Former Members of Congress, and for the kind words, the exceptionally kind words that Jim Quigley has said about me.

I don't think you ever heard me read a speech, but I am afraid today it would be better for you and for me if I do read some remarks, and especially with the 5-minute rule, too, that we have in the House.

Everyone here knows that the Congress is a tough place to work. One's shortcomings are soon visible to all, both in what one doesn't do or say, and even more in what one does do and say.

My guess is that you gave the award to me not because of any special contributions to the work of the House of Representatives, but because our distinguished former colleague, Brooks Hays of Arkansas and I, with some 60 former Members living in the Washington area, were the organizers in 1970 of this alumni Association of Former Members of the U.S. Congress.

The fact that the organization already has more members than the sitting Congress—House and Senate—demonstrates that it was long overdue.

One day shortly before his passing, Brooks said to me, "If your name, Walter, and mine are ever mentioned in history, it's more likely to be in connection with the formation of Former Members of Congress than with any acts of special statesmanship by us while serving in the House of Representatives."

I'm sorry indeed that Brooks isn't here today to share in this honor. Nobody knows better than I that it is more than I alone deserve—but I accept it with deep appreciation.

Perhaps a word about my own story is in order.

You probably know that my being in the Congress could be called a fluke. I had been serving for 9 years with great satisfaction as a medical missionary in interior China when Japan's military invaded as the first step in its announced plan to seize what it called its greater East Asia coprosperity sphere—from Korea to Singapore. That would include the Philippines, a possession of the United States that we would have to defend—meaning war. After Japan's attack on China in 1937 I spent days and nights for months removing from the bodies and brains of Chinese men, women and children American scrap iron dropped from planes flown with American gasoline, mostly purchased from the sale to American women of Japanese silk, tea, toys, gadgets, and so forth.

Five months after my area was captured in 1938, including our hospital and myself, I was able by some extraordinary developments to get out and come home. I felt strongly it was my patriotic duty to report the danger to the United States. I spent the next 2 years speaking all over the country, beginning with leaders in the executive branch and the appropriate committees of the Senate and House, trying to get America to stop arming Japan. I was disappointed, though not really surprised, that the effort failed. I knew my warnings of inevitable disaster sounded fantastic. How could a bunch of volcanic islands called Japan attack the great United States? But I kept on warning.

Pearl Harbor came.

Soon several influential groups and leaders in Minnesota urged me to run for Congress to make my first-hand experience available to our Government in dealing with Japan's aggression. Many Members of Congress had come from Europe or had studied there. They were familiar with its history and problems and with Hitler's aggression there. Only one Member of the Senate and one Member of the House had ever spent any time in China.

Frankly, I didn't want to leave my own profession again; and, after all, what could one person hope to accomplish in the Congress? But the pushers clinched the argument with the blunt challenge: "You have no right to go round our city and State making clear to us what our civic duty is in this great emergency, and you yourself refuse to do your civic duty. We ought to have one person in the Congress with your background and experience in Asia where our sons are already giving their lives." I had to try.

I have never ceased to marvel that they won 10 times for so unorthodox a candidate—a nonpolitician from Nebraska who had been out of the country 10 years and had not yet lived in that Minneapolis district long enough to vote.

Well, I did my best—and perhaps was able to make some helpful contributions on some important issues in the next 20 years.

For one instance; it was particularly satisfying to introduce that first year and get through the House a bill to remove all racial discrimination from our immigration and naturalization laws—the first civil rights legislation since right after the Civil War.

But what I personally appreciate most from these years, I assure you, is the warm friendships made, and the deep respect I have for so many able, dedicated, patriots—the noble men and women of the Congress. These associations will always be precious beyond words of mine to express.

Thank you, thank you most sincerely for this very special award.

Mr. RHODES (presiding). The gentleman from Pennsylvania.

Mr. QUIGLEY. Mr. Speaker, I am pleased to announce that at our business meeting yesterday the association has elected as my successor our colleague from Illinois [Edward J. Derwinski], who will become the association's president effective the 1st of July, and along with Mr. Derwinski, Mr. John V. Lindsay of New York has been elected as our association vice president for the next year.

May I conclude, Mr. Speaker, with a word of thanks and a word of welcome.

Standing here at this moment, I am mindful that this is the last time I will ever be privileged to speak from the well of this House. It seems to me appropriate that I thank those who made this moment possible, my peers, my colleagues in the Association of Former Members of Congress. They elected me president of their association and with that office came the privilege of delivering this report this morning. I thank them for this honor.

Maybe I should also extend thanks to the good people of the 19th Congressional District of Pennsylvania. Their votes sent me here in the first place and for that I am and will remain eternally grateful and I extend my thanks, but it seems to me it might also be appropriate if I extend a further thanks to them, for by their subsequent decision to unelect me they qualified me for membership in the Association of Former Members and for that membership I am grateful and I thank those, who however unintended, brought it about.

Finally, Mr. Speaker, I extend to all sitting Members of the Congress an invitation to join our association at some time in the future. The Speaker of the House has indicated that he will be eligible for membership next January. That same welcome will be extended to all Members of Congress if in some future January they may suddenly find themselves former Members of Congress. We will welcome you then. We will welcome you, but there is no need to hurry. When it happens, be assured there is life after Congress. To paraphrase the scriptures, "We have gone before you to prepare a place for those who will come after us."

Now, I would not want to suggest that the place we have prepared is exactly paradise, but for most of us it will do until the real thing comes along.

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

Mr. RHODES (presiding). Before terminating these proceedings, the Chair would like to invite those former Members who did not respond when the roll was called to give their names to the reading clerk for inclusion on the roll.

I wish to thank all of you who are here today and those of you who have

participated in the affairs of the association.

Most of all, I want to take the prerogative of the Chair in speaking for the association and thanking the gentleman from Pennsylvania for a very fine year as president and for the many things which he has done to make this association stronger and better and even a better place for those who will find themselves in need of our services and our association in the future.

Of course, Jim, we all hope that when that occurs to those who are now Members of the House and the Senate that it will happen not because they suddenly found it, but because they determined that the time had come for them to change positions and become one of us.

I also want to thank the gentleman from Oklahoma, the executive secretary of this association, for his fine work through the years. I think this year has been really a banner year in the history of the association and we all owe the gentleman from Pennsylvania and the gentleman from Oklahoma a vote of thanks and I suggest that we express that appreciation now by giving that expression.

□ 1200

I wish all of you good luck.

At the request of the Speaker, I announce that the House will be in session at the hour of 12:15.

Accordingly (at 12 o'clock noon), the House continued in recess.

□ 1220

AFTER RECESS

The recess having expired, the House was called to order by the Speaker at 12 o'clock and 20 minutes p.m.

PRINTING OF PROCEEDINGS HAD DURING RECESS

Mrs. SCHROEDER. Mr. Speaker, I ask unanimous consent that the proceedings had during the recess be printed in the RECORD and that all Members and former Members who spoke during the recess have the privilege of revising their remarks.

The SPEAKER. Is there objection to the request of the gentlewoman from Colorado?

There was no objection.

THE FATE OF WHISTLE-BLOWERS IN THE PRIVATE SECTOR

(Mrs. SCHROEDER asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. SCHROEDER. Mr. Speaker, the news on the *Challenger* disaster gets worse. Two Morton Thiokol engineers who warned against launching the space shuttle and later told the Presidential Commission about their warnings have been punished.

Allan J. McDonald was head of Thiokol's solid-rocket-motor project and manager of a large staff. He feared that the cold weather at the launch site would prove disastrous and urged that the shuttle not take off. He then became the first to reveal that the *Challenger* had been launched over the objections of many of its designers. Shortly thereafter, Mr. McDonald became "director of special projects" with no real staff of his own.

Roger M. Boisjoly had been in charge of a task force on the O-ring problem and wrote a memo last summer warning of its danger. He, too, told the Presidential Commission of longstanding, but largely ignored, concerns about the shuttle's safety. Mr. Boisjoly, while retaining his title, was eased out of his former job responsibility.

Mr. McDonald and Mr. Boisjoly are whistle-blowers. They dared to tell the truth by puncturing the facade of consensus and good management at Thiokol and NASA. They failed to avert one tragedy but have quite possibly served to prevent further ones. In the process, they have brought severe harm upon themselves. They have learned the high price of honesty.

SANDINISTAS CONTINUE SUBVERSION OF NEIGHBORS

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

Mr. LAGOMARSINO. Mr. Speaker, the Communist Sandinista regime in Nicaragua tries to portray itself as the injured party in the conflict in Central America. It ignores—actually, denies or refuses to acknowledge—its role in supporting guerrilla subversion of its neighbors. The recent capture of Nicaraguan arms destined for guerrillas in El Salvador has failed to make headlines in the press.

For whatever the reason, it is difficult to disseminate the evidence showing the Sandinistas' policy of subverting their neighbors. One of the recent discoveries of arms for Salvadoran guerrillas occurred in March when a truck constructed with secret compartments was captured by Honduran Armed Forces. The truck carried rocket grenades, rocket propellant charges, blasting caps and blocks of TNT. Guerrilla documents were also uncovered describing the locations of several sites in Honduras of caches of weapons destined for Salvadoran guerrillas as well as efforts for establishing Socialist cells in Honduras.

Despite efforts to conceal the Sandinistas subversive campaign in Central America, no one should doubt their dedication to promote revolution in the region.

JAMES WATT DESERVES PRAISE FOR STATEMENT ON JOURNALISM

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

Mr. BIAGGI. Mr. Speaker, when James Watt was Secretary of the Interior I did not find much to praise him about. However, I wish to praise him for a statement he made in November 1984 which was reported in today's Washington Post. While addressing a conference entitled "Media Credibility and Social Responsibility," Watt called for an end to journalism which relies on ethnic slurs and innuendo.

Specifically, Mr. Watt made a plea to "eschew journalism based on innuendo and slur and personality as we see so frequently." He cited certain media coverage of the campaign of Geraldine Ferraro for Vice President. Watt charged that Ferraro was "abused" by the media. He added:

> We ought to go after the substance with fact and integrity—not with slur and innuendo and not because she has an Italian name. That is demeaning.

It is a bold but critically important statement from someone who himself generated much media attention. The media—all media—has a responsibility to avoid all degrees of stereotyping—against all ethnic, racial, and/or religious groups. Freedom of the press does not include taking liberties with the reputations of people on the basis of their ethnicity or any other reason.

FRENCH PEOPLE SUPPORT THE AMERICAN MILITARY OVERFLIGHT REQUEST FOR THE LIBYAN ACTION

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

Mr. GEKAS. Mr. Speaker, there was not one American citizen who was not bitterly disappointed at the action of the French Government in withholding permission for air flights over France during the Libyan incident. Yet, it became clear very quickly that this was a single-minded action of the French Government itself and was not supported by the body politic, and people of France.

Poll after poll showed that the French people themselves, by an overwhelming majority, wanted to permit an American overflight over their land to help in that Libyan cause, and it was only a governmental action that prevented it.

Not only did these polls substantiate that, but later in the summit meeting

in Tokyo, President Mitterrand of France I believe apologized to the President of the United States for that inaction on the part of the French Government at that time.

On the basis of our long friendship with the French people and because of the forthcoming celebration of the Statue of Liberty which, of course was a gift of France and the French people themselves, I believe that we ought to now as a people begin to forgive and forget about that failure of the French Govenment.

TAX REFORM-TRANSITION HAS ITS COSTS

(Mrs. BENTLEY asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. BENTLEY. Mr. Speaker, everyone in Washington is energized by great expectations for real tax reform legislation. I share that anticipation. But I also have real concerns for one of the costs of a major change in our tax system.

For some 18 months the taxpayers of the Nation have been bombarded with a succession of tax reform plans, only the latest of which are the House bill and the current Senate proposal. Each of these plans has consequences for the plans and actions of taxpayers great and small.

While it remains unclear what the final contents of the tax reform bill will be, all these taxpayers are forced to postpone decisions which are critical to them and, in some instances critical to the economic health of communities and States. To add to their problems, there is a welter of speculation on effective dates for this massive change in the way the Nation does business.

It is incumbent upon us to limit the disclocations which are a necessary part of real tax reform. Our tax writing committees should immediately and publicly commit themselves to an effective date for tax reform not earlier than January 1, 1987. In so doing they will ease the disruption in the municipal bond market, housing, and many private areas of concern.

ANATOLY SHCHARANSKY'S VISIT TO CAPITOL HILL

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

Mr. DORNAN of California. Mr. Speaker, and my colleagues, a very important page of history is unfolding right before our eyes here on Capitol Hill, and I have a feeling that too many of my colleagues are taking this incredible, historical visit of Anatoly—now Natan—Shcharansky to the U.S. Capitol, for granted.

This man has come, to use Alexandr Solzhenitsyn's term, who proceeded him by almost a decade; this man has come "from the very stomach of the dragon." A man whose remembrance bracelet I wore for 8 years, and a man who I just assumed that I would never see alive again in the Western World.

After his wonderful appearance in the Rotunda, he also appeared at a luncheon yesterday, and only about 15 Members showed up. There are about 15 Members now over in the Rayburn Building listening to his testimony which has gone on for over 2 hours; and it is stunning, the fact that he can communciate with us so effortlessly in our own language. This ability alone is a miracle.

When I met with Soviet dissidents in Kiev Riga, Leningrad and Moscow, I asked them why all of them spoke English; how could we sit up all night long communicating in my language. They said English was the Language of Liberation.

I asked Mr. Shcharansky to explain that to my colleagues yesterday, and he turned even a better phrase. He said English is the road to freedom.

Take advantage of this; talk to him, see him communicate with us about the dragon—the Soviet Union.

DEBAR SHUTTLE CONTRACTOR FOR PUNISHING EMPLOYEES

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

Mr. MARKEY. Mr. Speaker, I urge my colleagues to join me in cosponsoring a joint resolution to correct a outrageous injustice against two engineers of the shuttle contractor, Morton Thiokol, Inc. I am introducing this extraordinary legislation because this injustice goes beyond the internal management of a company to threaten the safety of the entire Space Shuttle Program.

I am referring to shocking revelations published in the Sunday New York Times that those who had the courage to question the safety of the shuttle *Challenger* before it was launched are now being punished after the disaster. At least two engineers, Allan McDonald and Roger Boisjoly, questioned the advisability of launching the shuttle in near-freezing weather, and who have cooperated with the Presidential Commission investigating the shuttle accident, have been reassigned by their employer, Morton Thiokol, Inc.

I urge my colleagues to read the transcripts published last Sunday, but I note in particular the following exchange between Maj. Gen. Donald J. Kutyna of the Commission, and Mr. Ed Garrison, vice president for aerospace group, Morton Thiokol:

Commissioner KUTYNA. There is certainly some impression that these gentleman [Mr. McDonald and Mr. Boisjoly] have been punished or lowered in their responsibilities as a result of the proceedings since the accident.

Mr. GARRISON. Well, everybody can't be in charge.

Mr. Speaker, this is an outrage and an insult. The safety of the Space Shuttle Program is directly undermined when Government contractors punish employees who provide critical information on the safety of NASA operations. These punitive transfers are intended to intimidate employees and hamper the ability of the public from getting at the truth. I think that all of us feel the way Commission Chairman Rogers felt when he noted that it looks like these men were penalized for being right.

If the Morton Thiokol engineers were Federal employees, they would have recourse through the Civil Service Reform Act and the Office of Special Counsel. But as employees of a Government contractor, they have no protection.

It may be that our laws should be expanded to provide protection in cases like this, and I am exploring that general issue. But I am compelled to introduce legislation now which deals with this particular situation alone because I have never seen such blatant, unethical and potentially dangerous corporate behavior as is exhibited here by Morton Thiokol. Even with the eyes of the Nation focussed on what can or will be done to make the shuttle program safe to fly again, the supplier of the suspect rocket boosters is stripping its most conscientious engineers of their staff and responsibilities.

This deserves the strongest condemnation and calls for immediate action. The resolution requires NASA to debar Morton Thiokol, Inc. from participating in NASA contracts unless and until the General Accounting Office finds that it these employees have been fully restored to their former job responsibilities, or that their transfers are unrelated to their cooperation with the shuttle investigation.

CONGRESSIONAL OVERSIGHT HEARINGS REQUESTED TO REVIEW FEMA PROGRAMS

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

Mr. RIDGE. Mr. Speaker, yesterday I spoke against some proposed regulations that would take the Federal Emergency Management Agency one step closer to eliminating all Federal disaster assistance. When I got back to my office, I happened to read some press reports of a new FEMA plan to build 3,400 bomb shelters for Govern-

ment officials to use in the event of nuclear war. The price tag for the first 600 shelters would be $1.5 billion, or $2.5 million each. You should also know that one FEMA official praised the effort because the shelters would be used to protect land records so that nuclear war survivors could demonstrate the ownership of property.

My colleagues, before FEMA embarks on a wholesale abandonment of the natural disaster component of its mission and launches a return to the 1950's strategy of a bomb shelter in every yard, I believe that some oversight hearings are in order on the natural disaster assistance portion of FEMA's task. The Federal Government already plays a severely limited role in this whole area: State and local governments already pick up between 75 and 85 percent of the cost of emergency management programs, and charitable, nonprofit organizations also make contributions of millions of dollars of goods and services each year.

As I mentioned, FEMA has proposed drastic reductions in natural disaster assistance. Much, much stricter eligibility requirements and a substantially reduced Federal contribution for those States and communities that become eligible for public assistance programs will be implemented through regulation unless the Congress acts.

I have requested oversight hearings to review Federal disaster programs which are authorized by the House Public Works and Transportation Subcommittee on Water Resources. A number of my colleagues have supported me in this endeavor, and I ask others to join me. Those who represent areas where floods or tornadoes or earthquakes are not unusual need no reminder of the importance of the FEMA disaster program. Those whose home areas have been more fortunate should nonetheless remember that natural disasters strike quickly and without warning. We are all at risk each day. We all have a stake in good emergency preparedness and disaster recovery programs. I urge my colleagues to join me in requesting oversight hearings with regard to the disaster assistance program authorization before the Subcommittee on Water Resources.

THE VERRAZANO EXPERIMENT IS WORKING WELL

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

Mr. MOLINARI. Mr. Speaker and my colleagues, yesterday my colleague from New York, Mr. WEISS, mentioned in a 1-minute speech that he has introduced legislation to do away with the one-way toll on the Verrazano Bridge that connects Staten Island to Brooklyn. He says that the traffic plan resulting is an unqualified disaster. I could not disagree more strongly with Mr. WEISS. In my judgment the one-way toll on this great Interstate System, which is one of the most heavily traveled arteries in the Nation, is working exceptionally well. There are no lines anymore for miles like there used to be, traffic is moving well, people are saving a half hour commuting in the morning, pollution levels are down. I would urge my colleagues in this House to hestitate before going on as a cosponsor of that legislation.

ELIMINATION OF SOCIAL SECURITY 3-PERCENT INFLATION TRIGGER FOR COLA ADJUSTMENTS

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

Mr. DREIER of California. Mr. Speaker, last week I introduced legislation to permanently eliminate the Social Security 3-percent inflation trigger for cost-of-living adjustments.

Social Security recipients are currently entitled to a COLA only when inflation exceeds the arbitrary 3-percent trigger threshold. This adjustment is not canceled, only postponed until inflation rises above the trigger level in a subsequent year, when the shortfall is added on.

The temporary reduction in buying power, however, is an unnecessary financial hardship for Social Security beneficiaries. The uncertainty of a benefit adjustment to reflect the increase in the cost of living creates uncertainty for senior citizens, particularly for those living on fixed incomes, making it difficult for them to plan ahead.

In 1984, Congress enacted legislation to waive the 3-percent trigger threshold to guarantee that the 1985 COLA would be paid. This year, the COLA, at 3.1 percent, came close to the trigger. I am very encouraged by our success in bringing inflation down, but I do not want to see this scramble to guarantee a COLA become an annual event.

First of all, the COLA trigger is no longer necessary. It was instituted in 1972 not only to restrain costs, but to avoid the administrative complexities associated with processing small benefit increases. The Social Security Administration has since updated their computer capabilities.

Second, the trigger threshold actually costs money. Retirees who become eligible in the second year of a deferred COLA receive an adjustment for changes in the cost-of-living that occurred not only for the time after initial eligibility, but also for 1 or more years prior to initial eligibility. This windfall then becomes a permanent part of all succeeding benefits.

In addition, the taxable wage base, retirement earnings test and Medicare Part B premium indexed increases are frozen when the COLA is frozen. The combined effect of freezing benefits and taxes, and the resulting windfall, is a small long-term cost, according to a 1985 report from the Social Security Office of the Actuary.

We have before us a unique opportunity to save money and to protect our senior citizens from cost-of-living increases, and I would urge my colleagues to join me in adopting this legislation.

THE FAIR INSURANCE COVERAGE ACT

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

Mr. BATES. Mr. Speaker, I am here today to remind you that I have introduced the Fair Insurance Coverage Act, a bill to ban insurance discrimination against the blind. I am asking those of you who have not joined the over 184 cosponsors to contact our office and advise us of your support.

The issue here is, simply put, that blind people in some States have been denied insurance coverage or have paid higher premiums for their life insurance without the basis of a sound actuarial study.

In other words, those actuarial studies that have been done have evidenced that the blind are not a greater health risk than the sighted.

Based on this information, I think it is truly discriminatory, and it should be corrected.

I call upon my colleagues to support this legislation.

PERSONAL EXPLANATION

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

Mr. BEREUTER. Mr. Speaker, due to Nebraska's primary election yesterday, this Member was in the First Congressional District of Nebraska and missed four rollcall votes that occurred. Had I been present I would have voted as follows:

"Nay" on the motion to approve the Journal;

"Yea" on the conference report on S. 124, the safe drinking water amendments;

"Yea" on the conference report on S. 974, to provide protection and advocacy for mentally ill persons;

"Yea" on the rule for H.R. 1, the housing bill.

SAFE DRINKING WATER ACT

Mr. Speaker, I particularly wanted to emphasize the ground water protection provisions in this act for Great Plains States. While I realize that many States are pushing for their own ground water legislation, I believe that the ground water protection provisions in this bill will facilitate and encourage many States to proceed with their own appropriate legislation.

Many communities and rural residents in the Great Plains and Midwestern States are facing serious safe drinking water problems. Excessive fertilizer and chemical applications have threatened the quality of domestic and municipal water supplies throughout extensive agricultural areas. The nitrate level in several small towns scattered throughout my home State of Nebraska has been and is above what EPA considers to be safe for drinking. Even my home town, Utica, NE, is required to bring in drinking water for infant's because the nitrate level of its water has become too high. Although scientists still do not know what all the effects may be on humans, there is some evidence present for consideration that it may be carcinogenic. Studies have shown that approximately 25 to 50 percent of the nitrogen applied to soils for crop production is not really necessary for the crops. Even in heavier soils commonly found in eastern Nebraska, nitrogen leaches through the soil by cracks, worm holes, and root channels. It is definitely a serious problem that is clearly becoming more serious.

The Nebraska Legislature has recently enacted a law to establish a mechanism for dealing with such water quality as nitrate contamination. That legislation would establish a cooperating method for coping with and reducing contamination problems between the Nebraska Department of Environment Control and the local Natural Resource Districts [NRD's]. Although the purpose of this law is certainly worthy, it should be recognized that this law would place very significant pressure on local NRD's to enforce or fail to enforce its implementation. Because many States, including Nebraska, lack an enforceable strategy to protect ground water, passage of the Safe Drinking Water Act is a tentative, but important step in encouraging guidelines for States to preserve their future drinking water supplies in many rural communities.

This legislative body has an obligation to enact safe drinking water legislation and the quicker the better. This is a very critical time in protecting our ground water in the Great Plains and Midwest, as well as other parts of America and I believe that this bill represents an important first step for protecting drinking water supplies of the Nation; therefore I support this conference report, and I hope it can be expeditiously and wisely implemented.

SIMPSON-MAZZOLI IN LIMBO

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

Mr. LUNGREN. Mr. Speaker, I would like to join my colleague from Kentucky in bringing to the attention of this House the efficiency bill that we were pursuing in the very near future.

Along with my colleague from Kentucky, I must lament the fact that, for whatever reason, the House of Representatives does not appear to be poised to act on immigration reform. Some would think that this reluctance to act is somehow an indication that things are getting better on the border. I must confess that that would only be a statement of ignorance because in fact things are not getting better, they are getting worse. We are averaging something like 2,000 apprehensions per day just in the San Diego section. We have more than 270,000 apprehensions over a 6-month period of time in just the 66-mile section of the border that centers in San Diego.

As testimony has come out in the other body, we are having continuing problems of corruption with the Government of Mexico, leading to tremendous increase in drug trafficking across our southern border. The whole possibility of a conduit for terrorism travel into the United States from Mexico is increasing, not decreasing. Yet against this background the House is poised not for action but for inaction, not for speeches, but for silence.

The American people deserve something better, Mr. Speaker. I hope against all hope, at least as I see it now, that the Congress will act and act soon to do something the American people want us to do, to do our job.

STUCK IN THE JAM ON THE VERRAZANO BRIDGE

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

Mr. WEISS. Mr. Speaker, this editorial appeared in today's New York Daily News:

STUCK IN THE JAM

The one-way tolls on the Verrazano Bridge have been in effect nearly two months. With four months to go. And while Rep. Guy Molinari, breathing in the purportedly purer air of Staten Island, chortles over the "success" of the plan, motorists in Manhattan—and Brooklyn and New Jersey—choke on exhaust fumes. For those behind the wheel in bumper-to-bumper bridge-avoiding traffic, this experiment is an abject failure.

Is there no remedy for the congressionally ordained misery? Perhaps, if Congress now listens to Rep. Ted Weiss and nine—count 'em nine—other representatives from New York and New Jersey, their co-sponsored bill, introduced yesterday, would repeal the one-way tolls. Which would be wonderful. That can't happen too soon.

The whole thing shouldn't have happened in the first place.

Mr. Speaker, I invite and urge my colleagues to join as cosponsors of this important measure.

EXPRESSING THE SENSE OF CONGRESS WITH RESPECT TO AGRICULTURAL LOAN RESTRUCTURING

The SPEAKER. Pursuant to the provisions of clause 5, rule I, the unfinished business is the question of suspending the rules and agreeing to the concurrent resolution, House Concurrent Resolution 310, as amended.

The Clerk read the title of the concurrent resolution.

The SPEAKER. The question is on the motion offered by the gentleman from Texas [Mr. DE LA GARZA] that the House suspend the rules and agree to the concurrent resolution House Concurrent Resolution 310, as amended, on which further proceedings were postponed on Tuesday, May 13, 1986, and on which the yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 407, nays 0, answered "present" 1, not voting 25, as follows:

[Roll No. 123]

YEAS—407

Ackerman	Chappell	Fawell
Akaka	Chappie	Fazio
Alexander	Cheney	Feighan
Anderson	Clay	Fields
Andrews	Clinger	Fish
Annunzio	Coats	Flippo
Anthony	Cobey	Florio
Applegate	Coble	Foley
Archer	Coelho	Ford (TN)
Armey	Coleman (MO)	Fowler
Aspin	Coleman (TX)	Frank
Atkins	Collins	Frost
AuCoin	Combest	Fuqua
Badham	Conte	Gallo
Barnard	Conyers	Gaydos
Bartlett	Cooper	Gejdenson
Barton	Coughlin	Gekas
Bateman	Courter	Gephardt
Bates	Coyne	Gibbons
Bedell	Craig	Gilman
Beilenson	Crane	Gingrich
Bennett	Crockett	Glickman
Bentley	Daniel	Gonzalez
Bereuter	Dannemeyer	Goodling
Berman	Darden	Gordon
Bevill	Daschle	Gradison
Biaggi	Davis	Gray (IL)
Bilirakis	de la Garza	Gray (PA)
Bliley	DeLay	Green
Boehlert	Dellums	Gregg
Boggs	Derrick	Guarini
Boner (TN)	DeWine	Gunderson
Bonior (MI)	Dickinson	Hall (OH)
Bonker	Dicks	Hall, Ralph
Borski	Dingell	Hamilton
Bosco	DioGuardi	Hammerschmidt
Boucher	Donnelly	Hansen
Boulter	Dorgan (ND)	Hartnett
Boxer	Dornan (CA)	Hatcher
Breaux	Dowdy	Hawkins
Brooks	Downey	Hayes
Broomfield	Dreier	Hefner
Brown (CA)	Duncan	Heftel
Brown (CO)	Durbin	Hendon
Broyhill	Dwyer	Henry
Bruce	Dymally	Hertel
Bryant	Dyson	Hiler
Burton (CA)	Early	Hillis
Burton (IN)	Eckart (OH)	Holt
Bustamante	Eckert (NY)	Hopkins
Byron	Edwards (CA)	Horton
Callahan	Edwards (OK)	Howard
Campbell	Emerson	Hoyer
Carney	English	Hubbard
Carper	Erdreich	Huckaby
Carr	Evans (IA)	Hughes
Chandler	Evans (IL)	Hunter
Chapman	Fascell	Hutto

Ireland
Jacobs
Jeffords
Jenkins
Johnson
Jones (NC)
Jones (OK)
Jones (TN)
Kanjorski
Kaptur
Kasich
Kastenmeier
Kemp
Kennelly
Kildee
Kindness
Kleczka
Kolbe
Kolter
Kostmayer
Kramer
LaFalce
Lagomarsino
Lantos
Latta
Leath (TX)
Lehman (CA)
Lehman (FL)
Leland
Lent
Levin (MI)
Levine (CA)
Lewis (CA)
Lewis (FL)
Lightfoot
Lipinski
Livingston
Lloyd
Loeffler
Long
Lott
Lowry (WA)
Luken
Lundine
Lungren
Mack
MacKay
Madigan
Manton
Markey
Marlenee
Martin (IL)
Martin (NY)
Martinez
Matsui
Mavroules
Mazzoli
McCain
McCandless
McCloskey
McCollum
McCurdy
McDade
McEwen
McGrath
McHugh
McKernan
McMillan
Meyers
Mica
Michel
Mikulski
Miller (CA)
Miller (OH)
Miller (WA)
Mineta
Mitchell
Moakley
Molinari
Monson
Montgomery
Moody
Moore
Moorhead
Morrison (CT)
Morrison (WA)
Murphy
Murtha
Myers
Natcher
Neal
Nelson
Nichols
Nielson
Nowak
O'Brien
Oakar
Oberstar
Obey
Olin
Ortiz
Owens
Oxley
Packard
Panetta
Parris
Pashayan
Pease
Penny
Pepper
Perkins
Petri
Pickle
Porter
Price
Pursell
Quillen
Rahall
Rangel
Ray
Regula
Reid
Richardson
Ridge
Rinaldo
Ritter
Roberts
Robinson
Rodino
Roe
Rogers
Rose
Rostenkowski
Roth
Roukema
Rowland (CT)
Rowland (GA)
Roybal
Rudd
Russo
Sabo
Savage
Saxton
Schaefer
Schneider
Schroeder
Schuette
Schulze
Schumer
Seiberling
Sensenbrenner
Sharp
Shaw
Shelby
Shumway
Shuster
Sikorski
Siljander
Sisisky
Skeen
Skelton
Slattery
Slaughter
Smith (IA)
Smith (NE)
Smith, Denny (OR)
Smith, Robert (NH)
Smith, Robert (OR)
Snowe
Snyder
Solarz
Spence
Spratt
St Germain
Staggers
Stallings
Stangeland
Stark
Stenholm
Stokes
Strang
Stratton
Studds
Stump
Sundquist
Sweeney
Swift
Swindall
Synar
Tallon
Tauke
Tauzin
Taylor
Thomas (CA)
Thomas (GA)
Torres
Torricelli
Towns
Traficant
Traxler
Udall
Valentine
Vander Jagt
Vento
Visclosky
Volkmer
Vucanovich
Walgren
Walker
Watkins
Waxman
Weaver
Weber
Weiss
Wheat
Whitehurst
Whitley
Whittaker
Whitten
Williams
Wilson
Wise
Wolf
Wolpe
Wortley
Wright
Wyden
Wylie
Yates
Yatron
Young (AK)
Young (MO)
Zschau

ANSWERED "PRESENT"—1

Roemer

NOT VOTING—25

Barnes
Boland
Daub
Dixon
Edgar
Fiedler
Foglietta
Ford (MI)
Franklin
Frenzel
Garcia
Grotberg
Hyde
Leach (IA)
Lowery (CA)
Lujan
McKinney
Mollohan
Mrazek
Scheuer
Smith (FL)
Smith (NJ)
Solomon
Wirth
Young (FL)

□ 1255

So (two-thirds having voted in favor thereof) the rules were suspended and the concurrent resolution, as amended, was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

CONCURRENT RESOLUTION ON THE BUDGET—FISCAL YEAR 1987

Mr. DERRICK. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 455 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 455

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 concurrent resolution (H. Con. Res. 337) setting forth the congressional budget for the United States Government for the fiscal years 1987, 1988, and 1989, and the first reading of the resolution shall be dispensed with. All points of order against the consideration of the resolution for failure to comply with the provisions of subsection 305(a)(1) 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)(6) of rule XI, are hereby waived. After general debate, which shall be confined to the resolution and shall continue not to exceed five hours, with not to exceed three hours to be equally divided and controlled as provided in section 305(a)(2) of the Congressional Budget Act of 1974, as amended, and with not to exceed two hours, to be equally divided and controlled as provided in section 305(a)(3) of the Congressional Budget Act of 1974, as amended, the resolution shall be considered as having been read for amendment under the five-minute rule. No amendment to the resolution shall be in order except the following amendments, which shall be considered only in the following order, which shall be considered as having been read, which shall not be subject to amendment, and which shall be in order even if a previous amendment in the nature of a substitute has been adopted: (1) the amendment in the nature of a substitute printed in the Congressional Record of May 13, 1986, by, and if offered by, Representative Dannemeyer of California, which shall be debatable for not to exceed one hour, to be equally divided and controlled by Representative Dannemeyer and a Member opposed thereto; (2) the amendment in the nature of a substitute printed in the Congressional Record of May 13, 1986, by, and if offered by, Representative Leland of Texas or his designee, which shall be debatable for not to exceed two hours, to be equally divided and controlled by the proponent of the amendment and a Member opposed thereto; and (3) the amendment in the nature of a substitute printed in the Congressional Record of May 13, 1986, by, and if offered by, Representative Latta of Ohio or his designee, which shall be debatable for not to exceed two hours, to be equally divided and controlled by the proponent of the amendment and a Member opposed thereto. If more than one of the amendments in the nature of a substitute made in order by this resolution has been adopted, only the last such amendment which has been adopted shall be considered as having been finally adopted in the Committee of the Whole and reported back to the House. It shall also be in order to consider the amendment or amendments provided in section 305(a)(5) of the Congressional Budget Act of 1974, as amended, necessary to achieve mathematical consistency. After the adoption of H. Con. Res. 337, it shall be in order to take from the Speaker's table the concurrent resolution S. Con. Res. 120 and to consider said resolution in the House, and it shall then be in order in the House to move to strike out all after the resolving clause of the said Senate resolution and to insert in lieu thereof the provisions contained in H. Con. Res. 337 as adopted by the House.

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

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

Mr. Speaker, House Resolution 455 is a modified closed rule providing for consideration of House Concurrent Resolution 337, the concurrent resolution on the budget for fiscal years 1987, 1988, and 1989. The rule provides for 3 hours of general debate which shall be divided equally between the majority and minority parties, and an additional 2 hours of debate which will be devoted to economic goals and policies pursuant to section 305(a)(3) of the Budget Act.

The rule waives the provisions of section 305(a)(1) of the Budget Act and clause 2(l)(6) of rule XI against consideration of the budget resolution. Section 305(a)(1) of the Budget Act requires that the budget resolution shall not be considered until 5 days after the Budget Committee report on the resolution is available to Members and until 1 day after the Rules Committee report on the resolution is available. Clause 2(l)(6) of rule XI provides a more general requirement for a layover of 3 legislative days following the availability of a committee report prior to consideration in the House of the measure for which the report is provided.

Mr. Speaker, since the chairmen of the Committees on Budget and Rules filed reports from their respective committees on this budget resolution yesterday, these two rules of the House must be waived if we are to move to consideration of the fiscal year 1987 budget this week.

Mr. Speaker, the rule provides for consideration of three amendments in the nature of substitutes to the resolution reported from the Committee on Budget. These are the only substantive nontechnical amendments made

in order under this rule, and they are not subject to amendment. All three amendments are required to have been printed in the CONGRESSIONAL RECORD of yesterday, May 13, 1986.

The first amendment in the nature of a substitute made in order is an amendment by and if offered by Representative DANNEMEYER of California. This amendment shall be debatable for up to 1 hour, the time to be equally divided and controlled by Mr. DANNEMEYER and a Member opposed thereto.

The second amendment in the nature of a substitute made in order by this rule is an amendment by and if offered by Representative LELAND of Texas or his designee. This amendment shall be debatable for up to 2 hours, the time to be equally divided and controlled by a proponent of the amendment and a Member opposed thereto.

The third and final amendment in the nature of a substitute made in order by this rule is an amendment by and is offered by Representative LATTA of Ohio or his designee. This amendment shall be debatable for up to 2 hours, the time to be equally divided and controlled by a proponent of the amendment and a Member opposed thereto.

Mr. Speaker, under the provisions of this rule, each of the amendments in the nature of a substitute I have referred to may be offered notwithstanding the disposition of any prior amendment. Normally, under the rules of the House adoption of an entire substitute would preclude the offering of any further amendments to the resolution. Therefore, this procedure, the so-called king-of-the-mountain procedure, protects the prerogatives of each Member to have full debate and a vote on their substitute. The last such substitute to be approved shall be considered as having been finally adopted in the Committee of the Whole and reported back to the House.

This rule also provides for a technical amendment or amendments to the budget resolution, as provided for under section 305(a)(5) of the Budget Act, to achieve mathematical consistency in the resolution.

Finally, Mr. Speaker, the rule provides for a hookup with the concurrent resolution on the budget adopted in the other Chamber, Senate Concurrent Resolution 120. The rule makes in order motions to take the Senate resolution from the Speaker's table, strike out all after the enacting clause and insert in lieu thereof the text of House Concurrent Resolution 337 as adopted by the House. This procedure has the affect of sending the measure back to the other Chamber for further action.

Mr. Speaker, this is an historic occasion. The budget resolution that would be made in order by this rule is the first budget to be considered under the Gramm-Rudman-Hollings legislation. As you all know, when we adopted that legislation last December we made a commitment to the American people—a commitment that would reduce the Federal deficit to no more than $144 billion in fiscal year 1987 and eliminate the deficit entirely by 1991. That legislation provided that we could honor that commitment by moving through the regular budget process—adopting a budget resolution, enacting a reconciliation bill, providing for funding through the appropriations process and acting on any other legislation necessary to carry out the guidelines of the budget. This would provide an apportunity for Congress to carefully consider priorities, to decide which programs needed more or less funding, and to respond to the needs of our citizens within the constraints of a deficit of $144 billion or less.

But the Gramm-Rudman-Hollings legislation also provided, because some feared that the commitment to a $144 billion deficit might fade in the face of the realities of reaching that deficit, that is we did not reach the deficit target through our regular budget process there would be an automatic reduction in spending sufficient to reach that target. That automatic reduction would not be based on priorities, on changing needs, or on any rational calculation—it would simply reduce every account in the budget by the same percentage. It would cut the defense personnel accounts by the same amount as Air Force or Navy procurement or military bands. It would cut funding for the Drug Enforcement Agency and the FBI by the same percentage as the Honey Support Program.

As my constituents would say, that is no way to run a railroad. I will be ashamed to go back and face the citizens in the Third District of South Carolina if the Congress defaults on the budget process and lets that automatic process occur. I don't think that is going to happen. I think that the budget plan the Budget Committee is recommending is a good budget that a majority in this House will support. I think that the Members of this body are too responsible to turn their back on the budget, let the automatic cuts occur, and then deny responsibility for those cuts. But I admit I worry a little when I hear somebody say "I can't vote for a budget that freezes defenses," "I can't vote for a budget that doesn't fund general revenue sharing," or "I can't vote for a budget that raises taxes more than the President requested."

All of us could think of a hundred reasons not to vote for the budget the Budget Committee has recommended, or for any of the other budgets that will be considered. But we need to face facts. Whether we like to or not, and I don't like it because I voted against it, Gramm-Rudman-Hollings is the law. We have to reach a deficit of no more than $144 billion. And you know something—in order to do that you have to cut something or you have to raise taxes, or you have to do some of both. The alternative to voting for a budget you are not completely happy with is to allow the automatic Gramm-Rudman-Hollings sequestration to occur. A vote against the budgets we will be considering here in the next 2 days is a vote for sequestration.

Mr. Speaker, with that in mind I would like to urge my colleagues to support the budget recommended by the Budget Committee. While it will cause its share of pain, I think that that pain is fairly and reasonably distributed. The committee budget reduces spending for fiscal year 1987 by more than $14 billion and it divides those cuts 50-50 between domestic programs and defense. It essentially freezes new budget authority for defense at the fiscal year 1986 level, but it provides for defense outlays nearly $7 billion higher than the 1986 level. I would also like to point out to those who say we are weakening defense that the outlays for defense in 1987 under this plan would be $276.2 billion. That is more than $90 billion more than we were spending 4 years ago. This budget also cuts domestic spending, but it is reasonable in applying those cuts. It reduces most discretionary programs by 2½ percent below this year's expenditures, cuts some programs by 10 percent or more, and it provides additional spending in areas where the national interest demands it—for drug enforcement, for air traffic safety, and for programs to help our children prepare for a productive future. It also reduces the deficit by increasing user fees, selling some Government assets, and recovering oil overcharge payments. And, it also reduces the deficit by increasing revenues. It calls for $6 billion in increased revenues that the President requested, and for an additional $4.7 billion in new revenues proposed by the other body. This additional $4.7 billion in revenues would be used only to reduce the deficit below the Gramm-Rudman-Hollings deficit target and would be credited to a special deficit reduction account at the Treasury. I know that some Members object strenuously to this extra $4.7 billion in revenues, but for the life of me I cannot see why revenues of $852.5 billion in fiscal year 1987 are perfectly OK, but revenues of $857.2 would wreck the economy and lead to the destruction of the American way of life.

Mr. Speaker, it is imperative that we move forward with the budget resolution so we can move on to the other critical budgetary decisions for next fiscal year—reconciliation and the ap-

propriations bills. This is a fair rule which will expedite consideration of the budget resolution while also affording Members an opportunity to vote on several very clear and distinct policy alternatives from across the policital spectrum.

Mr. Speaker, I urge adoption of this rule and urge my colleagues to support the budget resolution reported from the Budget Committee.

□ 1320

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

Mr. Speaker, I intend to support this rule because the procedure it provides is reasonable under the circumstances.

One of the circumstances to be considered is that this budget resolution is very late. The Budget Act as amended by Gramm-Rudman provides that Congress will complete all action on the budget resolution by April 15. Yet here it is almost a month after that deadline and we are just now starting action in the House, and there will still have to be a conference with the other body after this.

Mr. Speaker, we have a rule on the budget resolution ready to be considered by the House. The rule first provides for 3 hours of general debate and 2 hours of debate on Humphrey-Hawkins, for a total of 5 hours. Then the rule provides for the consideration of the committee majority bill, and three substitutes. The first substitute is by the gentleman from California [Mr. DANNEMEYER] and will be debated for 1 hour. The second is by the gentleman from Texas [Mr. LELAND] or his designee, and will be debated for 2 hours.

His package represents the position of the Black Caucus. The third alternative under the rule is for a substitute to be offered by myself or my designee and 2 hours of debate time is allocated for this substitute. It is a substantial improvement over the committee bill which cuts defense too much and raises taxes too high.

Mr. Speaker, the rule provides that if more than one of the substitutes is adopted, only the last adopted is reported back to the House.

Mr. Speaker, the substitutes made in order in this rule spans the political spectrum. While there were other substitutes requested to be made in order, the Rules Committee made in order the consideration of only these three. There were also other amendments designed to impact on a specific program, but the Rules Committee followed the policy of making in order only complete substitutes.

While I might agree with some of the specific program amendments suggested, I think such issues should be decided by the appropriate committees, rather than by amendments to the budget resolution. The purpose of a budget resolution is to set priorities, not set spending levels for specific programs.

For all these reasons, Mr. Speaker, I support this rule so that the House may proceed to act promptly on the budget resolution.

Mr. Speaker, I yield 4 minutes to the gentleman from Arizona [Mr. RUDD].

Mr. RUDD. Mr. Speaker, I would like to express my appreciation to the gentleman from Ohio [Mr. LATTA] for yielding time to me.

Mr. Speaker, I rise to voice by opposition to House Concurrent Resolution 337, the fiscal year 1987 budget resolution.

What I find most objectionable in this budget package is a proposed $45.8 billion in new revenues over the next 3 years. Evidently, Congress will look to pass these revenue increases onto the already overburdened American taxpayer in the form of higher taxes.

Furthermore, this budget package reduces fiscal year 1986 budget authority for defense spending by $1.8 billion.

In light of the partisan manner in which this budget was drafted, the revenue increases and defense spending reductions serve only to show the inability of my colleagues from across the aisle to curb spending in domestic social programs.

Mr. Speaker, this resolution also devastates the Bureau of Reclamation construction program. It assumes a 20-percent reduction in total budget authority for the Bureau—a real reduction of $291 million from fiscal year 1986 levels—which would force the cancellation of a majority of ongoing construction contracts. Construction work would be brought to an abrupt halt as most of the remaining funds would be required to pay for contractor losses, demobilization and related costs, in addition to the costs associated with reductions-in-force. Virtually all project completion dates for already approved projects would be delayed.

In my own State, some critical features of the central Arizona project would be delayed at least a year probably 3 years, triggering a loss in repayment to the Treasury of over $30 plus million in present value terms, in accordance with the recently signed cost-sharing agreement—an agreement negotiated with non-Federal entities in Arizona in good faith. A dark cloud will be cast over all future cost-sharing negotiations when it has been demonstrated that the Federal Government cannot keep its end of the bargain.

Let me make it clear that I do believe the Bureau of Reclamation should do its part for deficit reduction. Restraint needs to be exercised in all Federal programs. However, there have already been remarkable efforts made by the Bureau to meet deficit reduction concerns, as evidenced by decreasing obligation figures for fiscal year 1985—$998 million; fiscal year 1986—$886 million; and as projected by the President for fiscal year 1987—$858 million. The Bureau's construction obligations in particular have declined from a level of $711 million in fiscal year 1985 to a projected $576 million for fiscal year 1987. The fiscal year 1987 budget authority request of $576 million represents a minimum to keep all of the existing projects on schedule.

This budget is a disservice to taxpayers. All reclamation projects, including the central Arizona project in my State, will be drastically and fatally affected. The Bureau of Reclamation budget authority figures pose a real risk of employee layoffs, project delays, project shutdowns and work stoppages, increased capital and overhead costs, and payments of liquidating damages on contracts already signed but unable to be fulfilled. In the end the result will be dramatic increases in water prices to citizen-consumers, and great restriction on water availability and without water we cannot survive.

Mr. LATTA. Mr. Speaker, I yield 5 minutes to the gentleman from Illinois [Mr. PORTER].

Mr. PORTER. I thank the distinguished gentleman from Ohio [Mr. LATTA] for yielding time to me.

Mr. Speaker, there were five budget alternatives presented to the Committee on Rules yesterday. Four of the five were included in the rule, and one was not. That one was the so-called benchmark budget that the gentleman from Minnesota [Mr. FRENZEL], the gentleman from Colorado [Mr. BROWN], and I prepared shortly after the President presented his budget earlier in the year. In fact, it was the second budget that was prepared and presented to the Congress.

It would have provided a comprehensive freeze on outlays in all discretionary spending by function, would have frozen defense outlays at last year's level, would have provided a 2-percent COLA for all Federal retirees and Social Security recipients, would have allowed current-law increases for poverty programs like AFDC, WIC, and SSI, and would have done so without providing any new taxes—in fact, only three small user fees, a small percentage of what the President had offered, totaling about $350 million.

It would have terminated general revenue sharing, would have terminated the Amtrak subsidy, the SBA business and disaster loan programs, honey price supports, would have called for the sale of Conrail, and would have called for a 1-year pay freeze for the military and for civilian employees of the legislative and executive branches. And, Mr. Speaker, it would have made a great deal of sense.

It would have provided, for example, a lower defense spending figure than either the Republican or the Democratic alternative. It would have provided for no new taxes. It would have not provided for draconian cuts in social programs, no increases either, but it would have met Gramm-Rudman and still done so without providing for new revenues. And it seems to me, Mr. Speaker, that it would have provided a fair sharing of the burden of deficit reduction on all the functions of Government, and not exempted any.

The Democratic budget alternative adds new revenues. That is not acceptable to a large number of Members in the House. The Republican budget calls for spending increases in the Department of Defense that are not acceptable to a large number of Members in the House. The Black Caucus alternative is far to the left; the Dannemeyer alternative is far to the right. This budget would have been right in the middle.

It would have been right in holding the line on military spending, right in holding the line on taxes, right in protecting essential social programs while eliminating and cutting back on the unessential, and I think, Mr. Speaker, that it simply made too much good sense.

□ 1330

I suspect that when all the smoke clears and the conference is back upon us that we will be a lot closer to this alternative than we are to any of those presented today in the Senate alternative.

Mr. Speaker, I think the Rules Committee made a great mistake in not allowing all the alternatives presented out before the House for full consideration.

Mr. DERRICK. Mr. Speaker, I yield myself such time as I may consume, just simply to say to the last gentleman's remarks that the Rules Committee came out with what I consider and I think most people consider a very fair rule. We made three substitutes in order. We made two substitutes that might be referred to as minority substitutes in order. We made one in order for the gentleman from Ohio [Mr. LATTA] or his designee, which I assume would not preclude the gentleman from Illinois [Mr. PORTER] from offering his amendment.

Having said that, I yield to the gentleman from Ohio.

Mr. LATTA. Mr. Speaker, I yield 2 minutes to the gentleman from Michigan [Mr. PURSELL].

Mr. PURSELL. Mr. Speaker, I want to congratulate both the Rules Committee and especially the Budget Committee, the gentleman from Pennsylvania [Mr. GRAY] and the gentleman from Ohio [Mr. LATTA] and Members for turning out a rule which I support today, basically because this is the beginning of a test whether we can as a policymaking body, the Congress of the United States along with the President, establish a budget that is a better alternative than Gramm-Rudman, which will trigger in this fall.

So irrespective of which budget we support today and tomorrow on our final votes, I encourage each one of my colleagues to support a budget that will be offered here on the floor. Hopefully the opportunity on our side to offer what I call taking the high road, offering a constructive budget, lower taxes, a moderate number in defense, and a reasonable freeze in discretionary programs with some terminations is probably the best on balance.

But my point today is simply that I hope that the Congress will pass a good budget here on the House side. The Senate has completed their mission.

Essentially our final goal, which I encourage all of us to support, is a final agreement in the conference committee so that we have a meaningful budget written and debated and passed by the Congress of the United States, rather than the Gramm-Rudman proposal.

So I would be hopeful today that we have an intelligent debate on the details of the respective four budgets.

I congratulate the two committees on both the House and the Senate side and the minority and the majority side, who have turned out constructive alternatives that the House can look at and have a constructive policy debate with respect to the budget that we like the best individually.

So again I congratulate the two committees and I support the rule.

Mr. LOTT. Mr. Speaker, I'm beginning to think that there's nothing wrong with the Budget Act that a little compliance won't cure. Unfortunately, the rule before us doesn't cure the problem; it only compounds it.

Here we are, nearly a month to the day after the April 15 deadline for final action by both Houses on a budget resolution, and this House is just beginning consideration of its resolution.

What's the explanation for this lengthy delay? Was the early work of the Budget Committee destroyed in some mysterious, unreported fire? Did the Earth open up and swallow the House budget resolution on the way to the House floor in early April?

No, the explanation is much simpler than that. The majority powers that be didn't want to take any action until the other body had acted. Keep in mind that this is the same House of Representatives that usually jealously guards its constitutional prerogatives of initiating fiscal legislation, whether it be tax bills, spending bills, or budget resolutions.

And yet, how now is it that we bow, cow, and kowtow before that other body on something as important as the fiscal blueprint for our Government? And I don't intend this in any way as being critical of the other body for acting. It did what it had to do under the Budget Act and moved forward in a courageous way. No, my criticism is aimed at this body for shirking and shrinking from its responsibilities under the Constitution and the Budget Act.

And just what has our Budget Committee been doing in the interim? Was it working together, behind the scenes, on a grand, bipartisan compromise as it could have been doing—as it should have been doing? No, that was not happening, despite assurances from the Budget Committee chairman yesterday before the Rules Committee that it was happening.

Yet, I'm a member of the leadership on this side, and I was certainly not aware of any such negotiations with the minority. I checked with our acting Budget Committee ranking member, and she knew of no such negotiations. Nor did our ranking member upon his return from medical leave.

Frankly, I've been unable to locate any leadership representative on our side who was involved in these mysterious bipartisan negotiations. It must have been the phantom of the Republican cloakroom who carried out these negotiations after we turned out the lights at night.

Now, you might ask, what difference does it make if we are a month or two late in getting a budget resolution. Well, I'd suggest you direct that question at the authorizing and appropriating committees who have been stumbling and fumbling around in the dark for the last 4 months without any idea of what numbers they'll be given to work with.

And then we wonder why Congress never seems to get its work done on time. And this year, more than ever, it's important that we adhere to this new, accelerated budget timetable what with election year recesses and adjournment, and the prospect of Gramm-Rudman-Hollings sequestration staring us in the face come October 1.

The April 15 deadline is in the law for a very important purpose, and not for the purpose of being ignored or flouted.

How does the Budget Committee act when it finally does get the green light from its leadership to proceed with a resolution? Well, judging from the record we gathered at yesterday's hearing, to make up for lost time it decided to violate a few more Budget Act requirements.

After ramming the resolution through the Budget Committee last Thursday, the same day the Chairman's mark was first seen by most Republican members, the measure was rushed to the Rules Committee for an emergency meeting on Tuesday—that's yesterday—despite an earlier announcement on Monday that we wouldn't consider it in Rules until Wednesday.

The budget resolution and report, incidentally, were not even filed until yesterday, meaning we may or may not have printed copies before us when we begin considering it today.

The rule before us waives the Budget Act's 5-day layover requirement for budget resolution reports, the 3-day layover requirement for the resolution itself, and the 1-day layover re-

quirement for the Rules Committee's report on the resolution.

Moreover, to add insult to injury, the Budget chairman asked to cut the 10 hours of debate time provided for in the Budget Act in half, to 5 hours, and to restrict the open amendment process provided for in the Budget Act to major substitutes.

Why this sudden rush to judgment after over a month's delay in bringing this resolution to the floor? Could it be there are some things in this resolution the Budget Committee would rather we not have time to discover or discuss? Such things as counting savings for terminating revenue sharing, then turning around and encouraging its resurrection? Such things as $26 billion in new taxes over the administration's request which are not provided for in the reconciliation process? Such things as withholding part of the defense allocation pending a report from DOD? Now there's a lulu of a precedent for you.

More importantly, what about the low defense numbers that will cut both the muscle and bone of our military posture?

I'm sure I've only scratched the surface of the ramifications of this resolution, and I was only able to do that because I was one of the privileged few to get a xeroxed copy of the report yesterday, a day before most Members will be able to dig into this.

Oh, this resolution has some clever little twists that are politically appealing on the surface. But, will they stand the test of time and close scrutiny? The fact this is being rushed through should be a clue as to the answer to that question.

Mr. Speaker, in conclusion, I must once again strongly protest the way in which we've taken one of the most serious and important issues to come before us this year and made a mockery of it by the procedures we are following.

GENERAL LEAVE

Mr. LATTA. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on House Resolution 455.

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

There was no objection.

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

The previous question was ordered.

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

The resolution was agreed to.

A motion to reconsider was laid on the table.

The SPEAKER pro tempore. Pursuant to House Resolution 455 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 concurrent resolution, H. Con. Res. 337.

□ 1334

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 concurrent resolution (H. Con. Res. 337) setting forth the congressional budget for the U.S. Government for the fiscal years 1987, 1988, and 1989, with Mr. NATCHER in the chair.

The clerk read the title of the concurrent resolution.

The CHAIRMAN. Pursuant to House Resolution 455, the first reading of the concurrent resolution is dispensed with.

The gentleman from Pennsylvania [Mr. GRAY] will be recognized for 1½ hours and the gentleman from Ohio [Mr. LATTA] will be recognized for 1½ hours.

After opening statements by the chairman and ranking minority member of the committee on the budget, the Chair will recognize the gentleman from California [Mr. HAWKINS] and the gentleman from Ohio [Mr. LATTA] for 1 hour each to control debate on economic goals and policies. After this 2 hours of debate has been consumed or yielded back, the Chair will recognize the chairman and ranking minority member of the Committee on the Budget to control the remainder of their 3 hours of debate.

The Chair recognizes the gentleman from Ohio [Mr. LATTA].

Mr. LATTA. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, as I mentioned during the debate on the rule, the Democrat majority is a month late in bringing this budget resolution to the floor, but nevertheless, we are prepared to go forward with it.

As the rule provided, there will be an opportunity not only for full consideration of the committee budget resolution, but also of three substitutes.

We are operating this year under different circumstances than we have operated in the past. This Congress has a mandate to reduce the budget deficit for fiscal year 1987 to no higher than $145 billion. It has made the Budget Committee's job a little more difficult, not only in the House but in the Senate. The Senate has come forth with its product. It has been fully debated. It has been, as the old saying goes, discussed and cussed; but nevertheless, they came forth with a product that they thought was the best way to go.

The product that has come out of our committee—without my support, incidentally—is a different type product. It is different in the numbers throughout. I might refer to those numbers, because it is most important that we know what we are doing.

For example, in function 050 on defense, the Senate number for outlays was $282 billion. The House Budget Committee is $276.2 billion.

On this most important function dealing with the security of this country, the budget authority, which the Defense Establishment relies on more than anything else, has been reduced considerably by the Senate and then reduced considerably more by the House.

In International Affairs, the Senate passed a figure of $14.2 billion and the Budget Committee recommended $13.8 billion.

In function 250, General Science, the Senate passed proposal was $9.1 billion. The House Budget Committee recommended $8.6 billion.

In function 270, Energy, the Senate passed $4.6 billion and the House Budget Committee recommended $4.8 billion.

On function 300, Natural Resources, the Senate passed a figure of $12.6 billion and the House Budget Committee recommended $12.2 billion.

In the very critical area of agriculture, and everybody knows that agriculture is in dire straits, the House Budget Committee recommended $23.6 billion and the Senate Budget Committee was $23.5 billion.

In function 370, Commerce and Housing, the Senate passed bill was $3.5 billion, and the House Budget Committee recommends $2.2 billion.

In function 400, Transportation, the Senate passed figure was $27.8 billion. The House Budget Committee recommends $25.5 billion.

In function 450, Commerce and Regional Development, the Senate passed figure was $7.2 billion. The House Budget Committee was $7 billion.

In function 500, Education, Training and Employment, they are identical, $30.6 billion.

In function 550, Health, the Senate passed figure is $38.3 billion. The House Budget Committee is $38.4 billion.

In function 570, Medicare, the Senate Budget Committee recommended $72.8 billion. The House Budget Committee was $73.2 billion.

In function 600, Income Security, they are identical, $121.4 billion.

On Social Security, they are identical, $209.4 billion.

In Veterans' Affairs, function 700, the Senate passed $26.5 billion, and the House Budget Committee was $26.7 billion.

In function 750, Administration of Justice, the Senate passed figure was $7.2 billion. The House Budget Committee figure is $7.1 billion.

In function 800, General Government, the Senate passed $5.4 billion, and the House Budget Committee is at $5.6 billion.

In function 850, General Purpose and Fiscal Assistance, the Senate was $2.8 billion, and the House Budget Committee is at $2.6 billion.

In function 900, Net Interest, the Senate Budget Committee was $143.9 billion, and the House Budget Committee is at $143.4.

In function 920, Allowances, the Senate was $0.5, and the House Budget Committee is at $0.6 billion.

In function 950, Undistributed Offsets, the Senate passed minus $42.1 billion. The House Budget Committee has a minus $39.2 billion.

This makes a total in the House Budget Committee of $993.70 billion, and in the Senate, $1,001.20 billion.

The revenues in the two budgets are the same, $857.20 billion.

The deficit, however, maintained by the House Budget Committee is $136.50 billion, and the Senate passed $144.00 billion.

A dispute arises as to the manner used in bringing their deficit down. It is through a very new and intriguing method of fencing, whereby they set off the new revenues and say they are going to be used only for deficit reduction, when everybody knows that this Congress or the next Congress can use that money, there is no way they can fence it and make it stick.

As a matter of fact, I would be the first one in line to vote for a piece of legislation that would absolutely make it certain that we could put money into a trust fund and use it only for deficit reduction. I have been informed by the Treasury Department that there is no possible way we can do it, because of the reason I have stated, and that is that one Congress can undo the acts of another.

So Mr. Chairman, during this debate we are probably going to hear a lot from the Democrat side about function 050, little from their side on their new taxes; and little about the work ability of their fencing provision.

□ 1345

We are going to hear that this budget was discussed in the Committee on the Budget in a bipartisan manner. I might say that, as the chairman indicated yesterday before the Committee on Rules, there were several hearings. We had several of the Secretaries before the Committee on the Budget. When it came to writing to the budget, we got this Democrat budget that we now have before us the night before it was considered and reported out. When I say "we," I am talking about the Republican side.

So there will be a lot of debate in the next couple of days about which way we should go, whether or not we ought to be raising taxes to the extent that they are raised in the House Budget Committee plan, or whether we ought to restrict ourselves and cut back on some of the spending provided for in this resolution.

Frankly, I think the American people are asking us not to raise taxes on them again, but to reduce spending. I do not think the House Budget Committee's resolution follows the wishes of the American people in this regard.

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

Mr. Chairman, today we begin consideration of the budget resolution for fiscal year 1987 before the full House.

The Budget Committee has reported a bill which achieves deficit reduction of $307 billion over 3 years. This deficit reduction plan exceeds the Gramm-Rudman-Hollings targets for deficit reduction in fiscal years 1987, 1988, and 1989. The committee plan achieves declining deficits of $137 billion in 1987, $106 billion in 1988 and $64 billion in 1989. In fact, the committee plan achieves greater deficit reduction than the resolution passed by the other body. The committee plan includes a combination of spending cuts, asset sales, user fees and other savings items.

The committee bill also includes $4.6 billion in new revenues over the new revenues in the President's budget request. It includes the same total level of revenues as the Senate resolution. However, our committee plan dedicates these revenues solely for deficit reduction. Unlike the other body's plan, these revenues would not be used for defense spending or domestic spending. Under the committee plan, a special, dedicated trust fund would be established to insure that these revenues could not be used to fund spending increases.

If adopted, the committee plan will allow Congress to avoid the mindless, automatic cuts mandated in Gramm-Rudman-Hollings for defense and domestic programs. Yet, the resolution maintains a 50-50 balance between cuts in defense programs and domestic programs in 1987 and over 3 years. By comparison, the Senate resolution makes 84 percent of its spending cuts in 1987 and 81 percent over 3 years in domestic programs.

Mr. Chairman, I believe the committee's plan will achieve meaningful long-term deficit reduction. It should preclude having to revisit the same issues next year. It should put us on a permanent path of lowering the Federal deficit.

The committee's plan before you today proposes what is virtually a budget authority freeze at last year's level for Pentagon spending. Although the plan provides $1.8 billion less in budget authority than last year, this budget will provide $6.7 billion more in outlays than was spent last year. This recommendation of $285 billion in budget authority will accommodate past procurement commitments, military personnel levels, a freeze in the operation and maintenance accounts and a 3-percent military and civilian pay raise in January. In terms of real growth, this fiscal year 1987 budget represents a cumulative increase in real terms—fiscal year dollars—of some $525 billion since fiscal year 1980 for Pentagon spending.

The committee's plan will allow for the continuation of a strong defense posture. It provides adequately for our defense needs. The committee believes this plan will encourage the Pentagon to achieve reasonable savings through better management practices, especially in the acquisition process, recoupment of unneeded, overstated inflation, multiyear procurements, competition and lower than anticipated fuel prices.

Although the committee plan makes significant deficit reduction, it maintains our national priority of protecting our country's greatest nautral resource—people. The committee plan protects children, senior citizens, low-income people, veterans, Federal workers, and Federal retirees. The committee recognizes the importance of investing in the future growth of the country while maintaining a basic quality of life for all Americans.

The committee plan provides more than $500 million above what is required to cover inflation in 1987 for a children's initiative. This will include expanded Medicaid coverage for mothers and infants, and compensatory education and Head Start Programs.

Adequate health care is a dominant concern for senior citizens living on fixed or limited incomes. The committee plan provides $500 million over 3 years to implement expanded medicaid coverage to the elderly whose incomes are below the Federal poverty threshold. The resolution also provides $1 billion over 3 years to reduce the scheduled increase in the Medicare hospital deductible.

Mr. GRAY of Pennsylvania. I thank the gentleman from South Carolina [Mr. DERRICK] who serves so well on the Committee on Rules, and who is, as well, a senior member of the Committee on the Budget.

Mr. Chairman, as we begin this debate with regard to the fiscal year 1987 budget, I think one thing stands out very clearly and that is that the House Budget Committee has come forth with a different solution, a solution that is balanced and equitable, a solution that provides for our domestic needs, and a solution that provides for stronger deficit reduction.

There have been several solutions this year, the first offered by the President, where over 90 percent of the reductions in the deficit came from one area of the budget—domestic spending areas. It called for the elimination of over 40 programs and with a massive increase in Pentagon spending of over $34 billion or 12-percent growth. Both Houses have rejected that prescription. This body could only find 12 votes for that solution. The other body, in committee, voted against that solution overwhelmingly.

There is pending another solution. That solution is offered by the other body, which gets down to the Gramm-Rudman target of $144 billion by reducing spending, over 80 percent of it, from the domestic side of the budgetary ledger, and then increasing Pentagon spending to cover inflation, while at the same time raising $13 billion in revenues that pay for that increase in spending in the Pentagon, with about $2 billion of it going to domestic spending.

Now we have before the Congress and before this body and the Nation a third solution, a solution that I believe is more balanced, a solution that I believe addresses our domestic needs and at the same time protects against sequestration while reaching the Gramm-Rudman target, and then finally, a solution that gives greater deficit reduction.

What this budget resolution proposes is that there be cuts in spending from both sides of the budgetary ledger, 50 percent from the domestic, 50 percent from the Pentagon.

Second, it also proposes that we protect against the possibility of sequestration and, thus, this budget goes below the Gramm-Rudman target of $144 billion by reaching a target of $141.6 billion through spending cuts and revenues that do not exceed the magnitude of revenues in the President's budget.

□ 1355

Finally, this budget offers the greatest deficit reduction because not only do we provide for greater spending cuts that are equitable, but also say that the additional revenues that are in the other body's budget ought to be put not to spending, domestic or Pentagon, but those additional revenues of about $5 billion, if they are to be achieved with the President's support, and if they are realized, should go to deficit reduction and thus we call upon the appropriate committees of jurisdiction to establish a deficit reduction trust fund for those additional revenues which we hope would be raised with the support of the President and through a separate legislative vehicle.

Therefore, the total deficit presented to the Nation and to this body is a deficit projected at $137 billion for fiscal year 1987, substantially below the Gramm-Rudman target, protecting the American public and the programs of national security and domestic security from sequestration while, at the same time, doing it in a balanced and equitable way.

We maintain our commitment to the low-income persons of our society. We maintain our commitment to the elderly with a strong health care program in Medicare and Medicaid.

We maintain our commitment to the veterans of this Nation who have served us so faithfully by providing full funding for veteran programs. We also maintain our commitment to the people who serve us, whether they are in the military or in the Federal civilian work force with an increase to cover the increasing cost of living.

At the same time, we maintain our commitments to those who are our retirees, both the Social Security recipients as well as military and Federal retirees, with no differentiation but treating all the same.

I think clearly when the American people will look at this solution as we will debate it today and tomorrow, they will find a solution that puts us on a strong glidepath away from high deficits that has the strongest deficit reduction. Second, they will see a solution that does not raise revenues and spends them as in the other body, but a solution that says if there are revenues that are going to be raised with the President's support, they should go to deficit reduction. At the same time, it is a solution that provides for equity and balance.

Mr. Chairman, when one looks at the constraints that we have faced, the fact that we are swimming in a sea of red ink and that our national debt has grown from $914 billion in 1980 to over $2 trillion in 1986, when we remember that in 1980, we were debating $40 and $50 billion deficits and now we are facing deficits over $200 billion, then we face the reality that in order to deal with these deficits, we must reduce spending. We must live within our means and make the tough choices. Given the constraints that we face, I believe that this budget presented by the House Committee on the Budget represents a fair and balanced approach.

I am sure that there will be those on both sides of the aisle who will not be satisfied with every aspect of this budget. There will be those who will say it is too low in defense, but I would point out to those that there is only a $5.7 billion difference between this budget and the Senate-passed budget in outlays. I would also point out to them that the difference between the other body and this body in Pentagon spending over 3 years is less than 3 percent with the other body providing $877 billion over 3 years and we providing over $848 billion.

I would remind them that with that kind of increase for our national security, we will be strong. I would also say to those who are worried about domestic programs, yes, we have made some reductions in the nondefense discretionary area. Those programs that were not identified as high priorities, such as education, health care, nutrition, children's programs and those of our elderly have been reduced. We said we can make reductions there of 2, 5, 10, and 12 percent without eliminating those programs, and at the same time, achieving strong deficit reduction.

I think those voices must look at the entire forest and not just the one tree that grows in their garden. For what we are debating is the prosperity and the future, not of one district, one region, but of this great Nation. And if we do not move in a substantive fashion, if we do not move with strength to reduce these deficits, I submit to you, no matter where we come from, whether it is from Pennsylvania or Texas, whether it is Maine or California, Michigan, or Florida, all of us will suffer.

So I hope that at the end of this debate and at the end of voting on the various alternatives that we will have a budget, and second, that it will be the one that is balanced, the one that protects against sequestration and meets Gramm/Rudman's targets, and finally, the one that calls for the strongest deficit reduction.

That budget, Mr. Chairman, is the budget that was passed bipartisanly out of the House Committee on the Budget. I urge my colleagues to vote for that budget. We are not all satisfied. We are not all pleased. But I suggest to you that it is the best medicine for an America that is getting terribly sick of red ink.

Mr. PURSELL. Mr. Chairman, will the gentleman yield?

Mr. GRAY of Pennsylvania. I yield to the gentleman from Michigan.

Mr. PURSELL. Mr. Chairman, I want to congratulate the gentleman from Pennsylvania for an outstanding presentation. Irrespective of which budget we support, the opportunity is to look at four options today and tomorrow and I think the gentleman's point of taking an option rather than Gramm-Rudman is constructive and beneficial to the House and to the other body and to the country as a whole.

I congratulate the gentleman on his presentation. We will get into the details later, but I think the gentleman's effort to look at a positive budget, hoping that we get a conference agreement with the other body, that we set a course for the country that is constructive rather than relying on Gramm-Rudman. I congratulate the leader of the Committee on the Budget and our chairman, the gentleman from Ohio [Mr. LATTA], for the alternative and that option that we have some choices to look at, rather than doing nothing and not taking the high road.

Mr. GRAY of Pennsylvania. Mr. Chairman, I want to thank the distinguished gentleman from Michigan [Mr. PURSELL] for his comment, a gentleman who has been intimately involved and provided leadership on the question of deficit reduction, introducing and writing a resolution last year.

I think the issue before us is how do we come together and solve the problem? I think all of us on both sides of the aisle, Democrats and Republicans, conservatives, liberals and moderates, all want to reduce the deficit. We will have presented before us during the next 2 days different options, different approaches, different methodologies, different choices, but I want to agree with the gentleman, all of us, Republicans and Democrats, recognize the need for deficit reduction and for action.

I hope that it will be in that spirit that this debate will be carried forth and that at the end of the day, we will have a budget that will represent the position of the House. We will go to conference and hopefully, we will have a conference report quickly, and therefore, give to the American people the belief that we in Congress, bipartisanly, are going to address the issue that faces us, the crisis of growing debt.

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. HAWKINS].

□ 1405

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

Mr. Chairman, it is the purpose of this portion of the budget debate, mandated by the Full Employment and Balanced Growth Act, to put the meat back onto the bones of the budgetary skeleton.

As President John Kennedy said, "To govern is to choose." While post-World War II America has had exemplary peroids where our leaders have chosen high economic performance and good supporting structural programs to provide the vehicles for the attainment of full employment, I am sorry to say that generally speaking, full employment and production have very rarely been the economic policy choices of our elected officials.

From 1980 to 1984, the real average annual economic growth rate was a paltry 2.7 percent. The first quarter 1986 figure of 3.2 percent, while better, is certainly nothing to crow about.

According to Joint Economic Committee analyses, economic growth in the current administration still averages only 2.1 percent a year, the lowest growth rate for any administration in the last 20 years. In order to generate enough overall growth to adequately compensate for current labor force growth and inadequate productivity estimates, we need at least 4- to 4½-percent growth just to maintain the status quo. In order to bring unemployment down, overall growth would need to be at least 5 percent, with commensurate monetary and structural programs.

Thus, even the administration's own growth forecasts, as well as those in this budget resolution, fall below the acceleration needed to move us toward real full employment.

Why are these growth rates assumptions low in relation to what is needed to actively produce enough economic activity to make a dent in the stagnant unemployment rate? The sad fact is that many policymakers and the economists who bend their ears have succumbed to the fallacious theory that excessive overall demand will rekindle inflation and thus hurt the money lenders and hoarders, or as Franklin Roosevelt called them, the economic royalists in the money temples. They believe that we have to maintain these historically high unemployment levels in order to reduce the risk of inflation.

Yes, my friends, the tradeoff theory and Phillips curve ideology are still alive and well in the United States. We find them hiding under the banner of deficit reduction and lurking in the shadows as economists say that 7-percent unemployment represents the new full employment level.

The facts, however, do not support these misguided assumptions. Our economic problems have not been due to excessive economic growth and too many people working. Rather, we have suffered from inflation, unemployment, high deficits, excessive interest rates and tremendous trade imbalances, because of low growth as well as the adverse effects of some outside shocks.

Facts show that when we enjoyed vigorous growth and fuller utilization of our resources, we were able to bring down unemployment and keep prices low. Everybody gained.

So, if we are to choose, as President Kennedy suggested, then what are the choices we have facing us today?

First, we must look at what the needs are. In the field of education, for instance, millions of our youngsters are denied access to cost-effective, deficit-reducing programs despite their eligibility; 82 percent of the eligible preschoolers in our country do not get help from widely respected successful programs like Head Start, because of lack of adequate funding; 65 percent of the eligible low-income elementary school children can't benefit from the remedial assistance chapter one, compensatory education offers.

In the area of employment and training, while 15 million Americans are either unemployed, working part time for economic reasons, or have given up looking for jobs because they have been unable to find one, less than 4 percent of the total population is benefiting from the assistance of jobs and training programs. Proven, cost-effective programs like JTPA, which helps train unemployed adults and young people; Job Corps, which is targeted to the most disadvantaged youth, and WIN, which enables welfare recipients to become self-sufficient, productive members of society, are so underfunded that they are mere drops of water in the massive sea of the jobless.

If we decide to choose the Gramm-Rudman policy path, the next 5 years would see an accelerated retrogression where more and more people would be excluded from programs that could help them to be independent, productive members of society. This choice increases the risk of a major recession.

If we choose to go the route of the Budget Committee's resolution, then we more or less agree to maintain the status quo, continuing the current policy of throwing out a few crumbs to the lucky few, while the larger percentage of eligible people have the doors of opportunity slammed shut on them. This is the expedient choice.

Or, we can choose the path of full employment and balanced growth, where we purposely make incremental yearly improvements in the kind of programs which invest in people and our future. The result of this preferred policy would be successful movement toward the goal of 4-percent unemployment and 3 percent or less inflation, while reducing the excessively high levels of joblessness among youth, minorities, and other groups in our society; a simultaneous large increase in revenues, due to people paying income taxes, rather than taking money out of the Treasury for unemployment compensation, food stamps, and other transfer programs; and an eventual eradication of illiteracy through access to a quality education for all Americans.

A full employment path also requires our monetary policy to be coordinated and made to complement spending and taxing actions. While recent lower interest rates are enthusiastically welcomed by both business and consumer alike, the years of high interest rates, allegedly used to fight inflation, have actually been one of the principal causes of inflation.

In every way they have added to the cost of living: higher mortgages and rents; more costly durable goods and credit charges; more health and transportation costs; and more expensive college educations. High interest rates are a political sham manipulated to help those who lend money and those who selfishly hoard, rather than invest.

If Mr. Volcker and the Open Market Committee wanted to lower the discount rate again, they could easily do so. If they wanted money supply growth rates to expand, they could give the nod.

The Fed refuses to participate in the coordination of overall economic policy even though we created them to do so. Mr. Volcker puts the onus on Congress to reduce budget deficits, as

if the Fed's actions have little or nothing to do with the vitality of the economy. The Federal Reserve Board should put its own house in order instead of dictating actions to the Congress.

Furthermore, all of the statistics being bantered about—growth rates, interest rates, money supply growth, and so forth, have been mere forecasts of what current policy will bring about. The Government should not be in the business of guessing about what may happen next as if those of us who are elected have no responsibility to set goals and then to take appropriate action to achieve them. Why should we even have elected officials if we place our fate in unelected people or phantom staffers to govern us?

We must also address the fact that there are limits on what macroeconomic policy can achieve in terms of employment reduction and increased standards of living. That is why a full employment program depends on effective structural programs which target specific problems experienced by certain labor force groups, areas of the country and sectors of the economy.

We need to increase outlays for education and training, employment and nutrition, housing and economic development. These structural programs do not waste taxpayers' money or throw Federal dollars down a bottomless pit. On the contrary, these investments reap large, tangible rewards. They create jobs, increase workers' productivity and offer a genuine escape from welfare.

Structural programs are an essential element in a full employment program. But, they aren't the whole story. We can make employment and training priority programs in the budget if we want to; we can enforce employment discrimination law so that all citizens have an equal opportunity to work; and we can significantly increase the job experience and educational skills of our young people so they can take their rightful place in the labor market.

But, the sorry fact remains that even if we did address these inadequacies, too many Americans would still be totally left out of the system of income distribution and denied the opportunity to enjoy the rewards of the American way of life because there are still not enough jobs for everyone able and willing to work.

The budget resolution before us today attempts to reconcile vital domestic priorities and defense needs within the limits set by law without inflicting irreparable injury to the economy or our concept of pursuing social and economic justice.

What my colleague, Mr. GRAY, and the other members of the Budget Committee have done on this impossible task is likely the best that can be done under the circumstances.

I want to make it clear, however, that in the long run, we can and must do better. I think it was one of the Greek philosophers who said, "We know the good, we apprehend it clearly, but we can't bring it to achievment." I urge my colleagues to break through the restraining bonds and needless blinders forced upon us by the economic climate created by faulty methods of deficit reduction and instead have the moral courage and economic good sense to support policies and programs that will move our country to full employment and balanced economic growth.

We are not the commercial vendors peddling their goods on the mall—we are the elected representatives of a nation that must set the moral tone for free nations everywhere and responsible free enterprise here at home.

□ 1415

The CHAIRMAN. The gentleman from California [Mr. HAWKINS] has consumed 13 minutes.

Mr. HAWKINS. Mr. Chairman, I yield 6 minutes to the gentleman from Texas [Mr. GONZALEZ].

Mr. GONZALEZ. Mr. Chairman, once again we are debating budget numbers. Once again the real subject of this numbers game is human beings, our fellow citizens. If we lose that perspective, if we fail to understand that it is human hopes and ambitions that will be helped or hurt by this budget, this debate will be misguided and its result fruitless, futile, or worse.

This congressional budget begins, as all Federal budgets do, with baselines and economic assumptions. It proceeds in terms of priorities, essentials, nonessentials, the possible and the impossible. It is constrained by the oddities of the Gramm Act, the sterile structure of the President's annually unrealistic and annually discarded budget, the realities of the economy and the necessities of politics. It ends with some kind of resolution, which constitutes a kind of fiscal rudder in the shape of self-imposed restraints: Receipts that will not exceed one hoped-for figure, expenditures that will not exceed another hoped-for figure, all held up by the slender shoulders of economic assumptions. My purpose here is not to restate my doubts about this whole process but to discuss the economic assumptions upon which it is based and the monetary policy upon which those assumptions depend.

To be blunt and short, if the Federal Reserve, which controls monetary policy, should suddenly change signals, the economic forecast upon which this budget resolution depends would no longer be valid. Purely and simply, to the extent monetary policy affects economic performance—and it affects economic performance in a profound way—the outcome of any fiscal plan is simply out of our hands. If the Federal Reserve suddenly jacks up interest rates, every assumption we make about economic growth is jeopardized.

If for some reason the Federal Reserve proves unable to arrest the decline in the value of the dollar on international exchange markets, every assumption we make about the rate of inflation and interest rates is also jeopardized. If the Federal Reserve is unable to prevent a catastrophic series of bank failures, which is certainly possible in this world of bad foreign, farm, and oil debt, our economic forecast would also be wrong.

We honestly don't have any way of knowing what monetary policy is going to be 6 months from today. We can only hope that it matches our expectations. But hope is all we have, because the Federal Reserve is receiving two new Governors in a very short time. How they will want to guide monetary policy is anybody's guess. We already know that one Governor tried a power play to change monetary policy, lost and resigned. This doesn't suggest a placid and tranquil boardroom at the Federal Reserve, and it doesn't suggest that monetary policy is going to be predictable. That being the case, we can't predict economic performance, but only assume what we think it will be.

There is another factor that will affect economic performance, which is the value of the dollar on international exchange markets. During this past year, the value of the dollar has declined by about 30 percent. This is raising the cost of our imports, which in turn will probably raise inflationary pressures. This factor has been masked by the dramatic drop in oil prices that has taken place since November, but the same folks who dropped oil prices through the floor could raise those prices just as easily. For the moment, however, the inflationary effect of the lower dollar has been canceled out by the 50-percent drop in world oil prices.

The sharp reduction in the dollar's value may discourage foreign investment in U.S. markets. That could in turn raise interest rates here, which would affect economic performance in an adverse way. Of course, a drop in foreign investment would not hurt so much if there were also a drop in the deficit, which would reduce the need for foreign investment here. But we don't know what the reduction in foreign investment is going to be. Because we do not know if the Fed is going to be able to stabilize the dollar's value.

During this past year the Fed has kept the growth of the money supply

at a fairly steady pace, around 10 percent. Lo and behold, economic growth has likewise been steady and interest rates have been steady. Long-term interest rates have turned down substantially, which has dropped the cost of home mortgage loans and municipal bonds. The growth of the money supply today is about 10.6 percent per year, which is 40 percent greater than the growth rate of 1979. It is no surprise therefore that interest rates and economic growth are much more favorable today than they were then. The point is clear: If the Federal Reserve changes its course, or if it becomes unable to manage the debt crisis, or if it decides to let dollar values slide further, all our hopes about low inflation, low interest rates, and general prosperity will be out the window.

I want to point out that in real terms, interest rates today are still unreasonable, and are still well above historic levels. Clearly, our economy would be in better shape if rates were reduced.

For example, the number of unemployed today, in the midst of the full bloom of so-called recovery, is still one-third higher than the number of unemployed in the bad old days of 1979. There are twice as many long-term unemployed today as there were then. Our industrial capacity utilization today is 5 percent below what it was in 1979, and in fact is no greater today than it was in the midst of the Reagan recession. Have we come to accept as inevitable the unemployment of 8½ million people? Have we come to accept as normal the long-term unemployment of 2½ million people? Have we come to accept as routine the growth of homelessness? Have we come to accept as inevitable the continual reduction of real wages in this country? Have we come to accept a permanent depression in the farm sector? Those are the real economic issues of the day. And every one of those issues is profoundly affected by monetary policy. Monetary policy can ease those problems or complicate them, and the question is which.

It is the aim of the Humphrey-Hawkins Act to make clear the connection between monetary policy and actual economic performance. That is the purpose of my remarks here today. There is a connection, and it is real. Those who construct the budget must accept the fact of that connection. The outcome of the fiscal program in our budget resolution depends directly on monetary policies that we in Congress do not and cannot predict or control. If the Federal Reserve decides to gun the money supply, there will be one outcome; if it decides to choke the money supply, there will be another result. In the past year the Federal Reserve has opted for stability, and that is what we have had. The budget resolution assumes that this will continue to be the case, but that is not a safe assumption. Changes in policy at the Fed have been frequent and unpredictable, and forthcoming changes in the Board of Governors make the future course of events more uncertain than ever.

The fact is that unless we can control the Federal Reserve we cannot control the outcome of the budget we are working toward today. As Chairman HAWKINS knows, economic performance depends on the Fed, not the congressional budget resolution. The House needs to be reminded of that. We will simply pass a budget resolution and hope for the best, because we do not control the monetary policy that will determine the actual result.

Finally, I would again remind my colleagues again that we are not talking about sterile numbers. Every digit in the unemployment index is a soul unemployed, a human being. Every soul deprived of a home because of our penury and the high cost of interest is a human being. Every bankruptcy, every student loan denied, every farm that goes to the auction block, is more than an economic unit; it is the life, the hope, the whole substance of human beings just like you and me. We may be talking economic policy, and we may be discussing numbers, but the subject is still the fate of human beings. That is what Chairman HAWKINS wants us to remember; and that is what I urge my colleagues to remember.

Mr. HAWKINS. Mr. Chairman, I yield 6 minutes to the gentleman from Kentucky [Mr. PERKINS].

Mr. PERKINS. Mr. Chairman, it is always an honor to take part in this portion of the debate on the budgetary process, the Humphrey-Hawkins portion of the debate which was started by two fine, great Americans, the late Senator Hubert H. Humphrey and the present chairman of the Committee on Education and Labor, the gentleman from California, Mr. HAWKINS. They are very concerned about some of the real problems that people have and what they face on a day-to-day basis in this country.

You know, unemployment is what the focus of this debate is about today, because unemployment is something that really reaches out and touches everybody on how they live year to year, month to month, day to day, hour to hour, and minute to minute. It is something that is very poignant and real in the lives of a whole lot of Americans living in this country today.

You know, when the chairman here was referring to fleshing out the debate, let us not just talk about numbers, talk in terms of numbers. Some of the numbers you are hearing are very impressive statistics, but let us talk, rather, about the real live people who are living across America, are living in situations where they do not have jobs, not because they are lazy and shiftless but because there are no jobs to be had.

Let us talk about a situation where this country has people with outstanding abilities who look forward to having a life of decency and respect but are denied that opportunity through no fault of their own.

Let us talk about a situation where you see someone go out and try again and again, 50, 100, I have even a situation that I know of personally where someone has tried 200 different job applications and been turned down, no response from private employers. It is not the fault of that individual that they do not have the job. They are qualified for the jobs for which they are applying. Rather, it is a situation where the economy does not support that job.

Across this country, across this land that we love we have these kinds of people where this has happened, and it has happened.

You know, where I am from is rural eastern Kentucky. I go across rural America, and let me tell you what I see out there: What I see is a situation in some places where in my district 20, 30, 35, 40 percent unemployment exists. You say that is unbelievable, but it is true.

Today in America there is a lost class of people that is out there begging for some sort of assistance. But today our Federal Government as part of our Federal policy has said in essence, "We don't know you are there."

The Federal Government has turned its back on these Americans who desire a better way of life. Whatever we are doing in the budgetary process today, whatever budget that we adopt on this House floor, if we adopt a budget, we are not beginning to really address the problem that these unemployed people have across America.

You know, I would rather personally have someone who is working in a job earning a living than have somebody on welfare. I would rather have somebody that knows the meaning and wants to work, out there achieving something rather than to have some sort of public assistance.

Whether it is private, as we would all prefer, or whether it is a public form of assistance, a Government-assisted job, I want people working because America is about the work ethic, America is about the ability to provide a way of life for your family, and the family is the unit that we all love here in this country.

Mr. Chairman, I would hope that we would consider the type of things that we are going to be looking at in the coming weeks and months and today on this floor, the importance of realizing that we as a Federal Government, as the Congress of the United States

are allowing a great portion of our people, both in rural America and in the cities, to fall by the wayside. We are ignoring their needs; we are ignoring the children of this country; we are letting the children go and hope for a future, but we are not giving them any way to have the future.

□ 1430

Mr. Chairman, when I go out in my coal mining district and I see people who are applying with this mass of unemployment 600 applications for 40 part-time jobs at a Druthers operation in my home county, and then I hear people say, "Well, why don't they work; they are lazy and they are shiftless," I am so tired of hearing that.

Mr. Chairman, in conclusion, I would just like to say a few little things about what it means to be poor in America today.

It means that when you get up in the morning you might not have lights or power to go out there and start up and have a breakfast like everybody else. It means that when your clothes wear out, you do not have anything necessarily to wear and keep you warm in the winter. It means that when you are trying to get something to eat and there is not enough food there that you have to figure out some way to tell that 3-, 4-, and 5-year-old child that they cannot eat today and that you have to make up some excuse while they understand that.

What it means to us today in America, Mr. Chairman, is that we are not addressing the needs of a substantive portion of the people of this country, and we are being too quiet about allowing this to continue. And this debate today is a place for the Representatives of this country who believe that we are ignoring the needs of these people to stand up and say, we need to change. And indeed, as a country, we need to change.

Mr. LATTA. Mr. Chairman, I yield 3 minutes to the gentleman from Ohio [Mr. KASICH].

Mr. KASICH. Mr. Chairman, I thank the gentleman for yielding this time to me.

Mr. Chairman, I just want to take a few minutes out of our time really to compliment the chairman of the committee, the gentleman from California [Mr. HAWKINS], and to draw to the attention of the gentleman from Kentucky who just made an impassioned plea in the area I think of growth policies for our country; the reason I particularly want to compliment the gentleman from California [Mr. HAWKINS] is his recognition of the importance of a good monetary policy in this country. I would hope that some Members on the chairman's side of the aisle would get up to address the importance of this issue, because I think, as the gentleman knows and many of us on this side of the aisle recognize, it is absolutely critical for economic growth and job creation for us to have a monetary policy that encourages the maximum amount of noninflationary growth in this country.

A number of us had concerns back in 1984 that, because monetary policy was inconsistent, choppy, and at times overly restrictive, which had the ramifications of driving interest rates high, we slowed this economy down. It did not have the kind of growth and job creation that we needed to have in America.

Mr. Chairman, I think it is important that the Congress and that the American public is awakening to the importance of monetary policy, the fact that monetary policy has dramatic impact on interest rates, dramatic impact on inflation rates, dramatic impact on growth rates, dramatic impact on employment rates, and affects the industries all across America, including our farm industries which have been dramatically affected because of lowering commodity prices, yet at the same time, higher overhead costs as reflected in interest rates.

I myself am encouraged by the President's appointment or nomination to the Fed of Mr. Heller, who again represents a policy of maximum noninflationary growth.

I think it is absolutely critical that we get interest rates as low as possible. Frankly, I think that most people across this country, both in the lending institutions and those who study the Fed, would agree that we could stand another lowering of that discount rate in this country, even today, because with even lower interest rates in America today, we can maintain our policy, an effective policy, toward combating inflation, yet getting the growth rate up at the levels that this administration seeks, up in the area of 4 percent. I think everybody understands the implications of growth rates at less than 4 percent. It simply would mean higher deficits. Growth rates at or better than the 4-percent mark, according to this administration, would, of course, yield us lower deficits and then higher employment.

So, I again want to compliment the chairman of the committee for recognizing the importance of monetary policy, and I hope that everyone in the Congress in a bipartisan fashion will continue to examine monetary policy and continue to be able to make statements in terms of where we ought to go in America in this vital component of America's economy that affects employment and industries across this great country of ours. Let us get the maximum noninflationary growth that we can possibly get out of the engine monetary policy in this country, the Federal Reserve System.

Mr. HAWKINS. Mr. Chairman, I yield 7 minutes to the gentleman from Maryland [Mr. MITCHELL].

Mr. MITCHELL. Mr. Chairman, something very strange and disturbing is happening in America. In this country, where we once prided ourselves about the Nation by saying here everyone who wants to work should be able to work. Now a strange and disquieting new theme has emerged. It is a theme that gives lip service to full employment, but ignores the fact that 8 million Americans who want work remain unemployed month after month, year after year.

I know of no other condition which has more dire consequences for many of our communities than does this completely unacceptable high rate of unemployment.

In many of our large cities, crime stalks the streets and the answer to that crime is not to build more jails, the answer is to provide jobs and job training for our citizens.

This Government of which you and I are a part, continues to ignore rural unemployment, black unemployment, Hispanic unemployment and youth unemployment. Don't we understand that by ignoring this phenomena we continue to create a condition for some in our society in which unemployment can become an accepted way of life. All of the new studies, analyses, reports, forecast grave dangers for the black family in America. Some of these reports are gross distortions, but the hard fact remains that sustained, unyielding unemployment is indeed destructive of family life.

One of the most astonishing developments around this new theme is the attempt to promote the idea that 6 percent unemployment represents full employment. I simply cannot understand the logic in this. If, at 6 percent unemployment we have 2 million people out of work who want to work, should that be acceptable to America? Does defining full employment as 6 percent unemployment mean that we in this country are willing to accept the idea that we will live with a permanently unemployed class in this Nation?

Last year, during this debate I made the following statements:

> As former chairman of the Subcommittee on Domestic Monetary Policy of the House Banking, Finance and Urban Affairs Committee, I have always argued that monetary policy must play an important role in whatever economic policy mix that is implemented, in general. But, the role of monetary policy cannot, by itself, create employment, reduce the trade deficit or the budget deficit. This is the job of the President and the Congress.
>
> A cursory review of the impact of the administration's fiscal policy is evidence that although we have experienced growth, we have done so at the expense of various segments of the labor force and certain sectors of the economy.

That statement still applies today.

The administration continues to implement policies that are almost unre-

lated to the reduction of unemployment. While it is true that many sections of America enjoy a new prosperity, the harsh reality is that for many other parts of the country, more people are slipping back into proverty, more people are becoming unemployed, and more and more we see the prospect of two Americas emerging again.

This my colleagues is, in my opinion, the most sinister threat to America. That threat is of two societies in America, a permanent underclass in America, a festering sore, gnawing at the vitals of America.

This administration must be required to set forth a specific, definitive, realistic plan to reduce unemployment to a rate of 4 percent within 5 years. I say to you, my colleagues, if this administration, or any other administration fails to this, then we have failed the future well being of this country.

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Mr. HAWKINS. Mr. Chairman, I yield 6 minutes to the gentleman from Illinois [Mr. HAYES].

Mr. HAYES. Mr. Chairman, I rise in support of the implementation of the Hawkins-Humphrey Full Employment and Balanced Growth Act of 1978, Public Law 95-523.

UNEMPLOYMENT

We are all fully aware of our Nation's urgent need to adopt measures aimed at reducing the high unemployment and putting the American people back to work.

The national figures on officially measured unemployment for April 1986 show that 7.1 percent of Americans are unemployed which means that 8.3 million Americans are looking for work. Unemployment among minorities and minority youth is proportionately much, much worse. Black unemployment is 14.8 percent and black youth unemployment is a staggering 42.6 percent.

The Full Employment Action Council, a coalition of religious, labor, civil rights and youth groups, asserted that after taking account of underemployed workers and those so discouraged that they have dropped out of the labor forces, the real unemployment rate was 13 percent in April.[1]

On May 6, 1986, the Tokyo Economic Declaration, issued by the leaders of the United States, Japan, West Germany, Britain, France, Italy, and Canada at the conclusion of their 3-day summit meeting: among other things stated:

Since our last meeting we have had some success in the creation of new jobs to meet additions to the labor force, but unemployment remains excessively high in many of our countries. Noninflationary growth remain the biggest single contributor to the limitation and reduction of unemployment, but it needs to be reinforced by policies which encourage job creation, particularly in new and high-technology industries, and in small business.

In 1978, the Hawkins-Humphrey Full Employment and Balanced Growth Act was enacted to deal with our Nation's unemployment. The act calls for the President to work toward full employment, but the Reagan administration has made no effort to carry out the mandates of the law.

OVERALL ECONOMIC PLANNING

To address this void, I along with Chairman HAWKINS and nine other Members of the House, introduced the Income and Jobs Action Act of 1985, H.R. 1398. My bill sets up a program for carrying out the Employment Act of 1946 and the Hawkins-Humphrey Full Employment and Balanced Growth Act of 1978—two laws which the Reagan administration has chosen to ignore. The program includes income maintenance—conversion planning—military to civilian production and declining to growing civilian production—declining to growing civilian industries and locally based overall planning. It also requires the President to transmit to the Congress a short-run and long-run financial plan to carry out the act. Unfortunately, instead of helping those citizens who find themselves in the unemployment lines, this administration has chosen to attack the very programs which have been most effective in helping those without work gain decent jobs and decent wages.

The Reagan administration continues a media campaign to convince the American people that we are undergoing a full economic recovery. But the reality of life for most people of ordinary means is that they are not included in the upper class who are experiencing the impact of the occasional upturn in the economy.

The Income and Jobs Action Act of 1985, is designed to create an environment where true sustainable economic recovery is achieved by establishing a Presidential program designed to reduce high unemployment. Our country's strongest line of defense will not be achieved through record military budgets, but through providing for the economic well-being of every American citizen. The greatest threat to people who are stricken by poverty, homelessness and hunger does not come from any external source, but from joblessness. Without a decent, income-providing job it is impossible to plan a decent future, provide for family security or to participate in the mainstream of our society.

H.R. 1398 does not call for any new expenditures or the creation of new regulations, agencies or procedures. It merely gives the President a mandate to comply with provisions of the Full Employment and Balanced Growth Act of 1978. This law, Public Law 95-523, directs the President to submit a detailed plan to Congress on how the administration will reduce unemployment.

With all the debates on deficit reductions have we yet done enough to call attention to the decrease that would be achieved by bringing officially measured unemployment rate down by 1 percent?

A recent Congressional Budget Office [CBO] report—February 1986—estimates that for every 1-percent reduction in the officially measured unemployment would decrease the Federal deficit by $44 billion in fiscal year 1987.[2] A 3-percent reduction in the unemployment rate would reduce the Federal deficit by more than $130 billion.

EFFECT ON CBO BASELINE BUDGET PROJECTIONS OF A ONE PERCENTAGE-POINT LOWER UNEMPLOYMENT RATE BEGINNING JANUARY 1986

[By fiscal year, in billions of dollars]

	Fiscal year—		
	1987	1988	1989
REVENUES:			
Individual income taxes	8.4	9.1	9.5
Corporate income taxes	19.6	20.1	20.7
Social insurance taxes	8.4	6.4	5.6
Other	0.9	0.6	0.9
Total	37.3	36.5	36.8
OUTLAYS:			
Unemployment insurance	−2.1	−2.2	−2.2
Other entitlements	−0.8	−1.0	−1.2
Net interest	−4.1	−7.8	−11.5
Total	−7.0	−11.0	−14.9
DEFICIT	−44.3	−47.5	−51.7

If more people were familiar with these estimates then perhaps we could also begin to formulate goals for bringing officially measured unemployment down to the Hawkins-Humphrey 4-percent goal over a number of years.

If the goals of Hawkins-Humphrey were followed what would the deficit be today.[3]

If we observed the law what would the deficit be in fiscal year 1987? (See table effect on CBO baseline budget projections of a 1-percentage-point lower unemployment rate beginning January 1986). If unemployment were reduced by 1 percent in fiscal year 1987 over a period of years what will the deficit be when we reach the Hawkins-Humphrey unemployment goal?

[1] "April Unemployment Was 7 percent, Labor Department Says," by Robert D. Hershey, Jr., the New York Times, May 3, 1986.

[2] According to the February 1986, Congressisonal Budget Office report, "The Economic and Budget Outlook: Fiscal Years 1987-1991, a Report to the Senate and House Committees on the Budget—Part I," Table II-6 at p. 72

[3] See: Table Unemployment Deficits 1979-85 (attached).

ACTUAL UNEMPLOYMENT STILL IN DOUBLE DIGITS

Much of America never recovered from the 1982 recession, and the real level of joblessness was at double-digit levels throughout 1985.

A report by the Full Employment Action Council and the Roosevelt Centennial Youth Project, titled "Three Years of Recovery: Where Are the Jobs?

It notes that the official unemployment rate for 1985—at 7.2 percent—was higher than the rate for all but 6 of the last 35 years.

As reported in my article "Forty Years After the Employment Act," reported in the Oakland Tribune on February 21, 1986:

We now have 18 million jobless: 8 million people officially unemployed, another 5 million working part time although they want full time work and still about 5 million wanting jobs, but not activley looking. When we count their dependents, the figure triples and reaches more than 50 million. This is the basic factor behind recent increases in poverty and homelessness and the devastation suffered in the inner cities, farms and industrial areas.

What this country needs today is a civilian equivalent of military spending. That means a total legislative package dealing with shorter work year with no reduction in pay, child care, health, housing, environment, Social Security, public works, progressive taxation, and all the other quality of life actions needed to attain the objectives of the Income and Jobs Action Act., H.R. 1398.

The comprehensive approach of the Income and Jobs Action Act requires a White House and a Congress dedicated to the high ideal of expanding genuine freedom for everyone. Indeed, one might say that the Income and Jobs Action Act is a job description for the kind of President that America needs in the White House.

Does that mean that we must sit back and twiddle our thumbs until 1988 comes around?

Not at all. We in the House hope to educate people around the country through hearings on our best proposals like H.R. 1398.

True and meaningful economic recovery must include a substantial reduction in our Nation's unemployment rate because without it, the promise of a full economic recovery remains wholly an illusion.

Mr. Chairman, 56 Members of the House, representing a broad spectrum of our concerned colleagues have cosponsored, H.R. 1398. Our bill is a legislative vehicle which when enacted will significantly reduce unemployment in our country, without inflation, and will also significantly reduce the Federal deficit. I again, invite my colleagues from both sides of the aisle to join as cosponsors of the Income and Jobs Action Act, H.R. 1398. Let your constituents know that you consider unemployment a top priority. To cosponsor, contact me personally or call me in my office on, 225-4372. A copy of the bill is attached.

ATTACHMENT—UNEMPLOYMENT DEFICITS 1979-85

[Dollar amounts in billions]

	Percent unemployment			Unemployment deficits		Total deficits	National debt
	Actual	Hawkins-Humphrey [1]	Difference [2]	High [3]	Low [4]		
1978	6.0						
1979	5.8	5.8	0.0				$833.8
1980	7.1	5.5	1.6	$64	$40	$72.7	914.3
1981	7.6	5.0	2.6	104	65	73.9	1,003.9
1982	9.7	4.5	5.2	208	130	120.0	1,147.0
1983	9.6	4.0	5.6	224	140	208.0	1,381.9
1984	7.5	4.0	3.5	140	88	85.6	1,576.7
1985	7.2	4.0	3.2	128	80	221.6	1,827.5
1986							
Total				868	543	781.8	

[1] Unemployment as reduced over five year period to 4% as mandated in Hawkins-Humphrey Full Employment and Balanced Growth Act of 1978.
[2] Difference between actual unemployment rate and assumed H-H levels.
[3] Unemployment deficit at $40 billion per 1% unemployment (current estimate of Congressional Budget Office).
[4] Lower unemployment deficit, estimated at $25 billion per 1% unemployment.

Note.—Increase in national debt, 1979-1985: $993.7 billion. Unemployment deficits as percent of above: High ($868 billion): 87%. Low ($543 billion): 55%.

H.R. 1398

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

SHORT TITLE

SECTION 1. This Act may be cited as the "Income and Jobs Action Act of 1985".

THE RIGHT TO EARN A LIVING

SEC. 2. (a) Every adult American able and willing to earn a living through paid work has the right to a free choice among opportunities for useful, productive and fulfilling paid employment (part- or full-time) at decent wages or for self-employment.

(b) All Federal departments, agencies, and commissions shall plan and carry out their policies, programs, projects, and budgets in a manner that will contribute to establishing and maintaining conditions under which all adult Americans may freely exercise this right.

(c) Neither the Federal Reserve System nor any Federal department, agency, or commission may directly or indirectly promote recession, stagnation, or involuntary unemployment as a means of reducing wages and salaries or inflation.

THE RIGHT TO AN ADEQUATE STANDARD OF LIVING OF AMERICANS UNABLE TO WORK FOR PAY

SEC. 3. (a) Every adult American unable to work for pay has the right to an adequate standard of living that rises with increases in the wealth and productivity of the society.

(b) No adult American shall be judged unable to work merely because of the unavailability of suitable paid employment opportunities at a given time or place or because of the lack of previous employment.

(c) In the absence of such opportunities and until such opportunities can be provided under section 2, an adult American able and willing to work for pay shall be provided with whatever income is required to maintain a moderate level of living, as defined by the Bureau of Labor Statistics.

CONVERSION TO EXPANDING CIVILIAN SECTORS

SEC. 4. (a) In the first annual message at the beginning of the first session of the Congress after the enactment of this Act, the President shall include specific proposals for a Conversion Planning Fund, to be administered by such agencies as the President shall determine.

(b) The purpose of such Fund shall be to promote short- and long-term plans for coping with declines in civilian or military activities by developing specific policies, programs, and projects (including but not limited to feasibility studies, education, training on the job, and inducements for whatever increased labor mobility may be necessary and desirable) for the expansion of economic activities in sectors where additional or improved goods or services are needed.

(c) In addition to such other funds as may be authorized, such Fund shall include no less than 1 percent of the amount appropriated for military purposes during each subsequent year.

LOCALLY BASED OVERALL PLANNING

SEC. 5. (a) Within six months after the date of enactment of this Act and thereafter in each annual economic report and budget message, the President shall transmit to Congress a staged program to create conditions under which the rights set forth in sections 2 and 3 may be fully and freely enjoyed and to set forth how the Fund created by section 4 may be most productively used.

(b) Such program shall be designed to prevent or counterbalance undue concentration

of Federal or corporate power by fostering recovery and full employment planning by—

(1) town, city, county, and State governments and their agencies in urban, suburban, and agricultural areas of the country;

(2) small and large business enterprises; labor organizations and trade unions; the unemployed; nonprofit, voluntary, and cooperative organizations (including neighborhood, tenant and home owners' associations and corporations); women; and racial and ethnic minorities;

(3) broad-based local partnerships in which the groups referred to in paragraphs (1) and (2) cooperate—

(A) to assess unmet needs in their areas, including the need for voluntary leisure as well as for goods, services, adequate income, employment at good wages, and volunteer activities;

(B) to survey the supply of labor resources and of managerial, professional, and technical skills that might be used in meeting such needs;

(C) to analyze the potential for obtaining necessary funds from various combinations of private and public sources without undue reliance on Federal funding;

(D) to develop goals for the future (through the year 2000) of their area; and

(E) in the light of the activities conducted under subparagraphs (A) through (D), to initiate high priority action projects that attain prompt progress toward such goals through both private and public agencies and market and non-market processes.

(c) Such program shall be designed to promote conditions for more self-empowerment by people victimized by discrimination in hiring, training, wages, salaries, fringe benefits, or promotion on the basis of prejudice concerning race, ethnic background, gender, age, religion, station in life, political or sexual orientation, or personal disability.

(d) Such program shall include, but need not be limited to, general and specific policies and projects designed—

(1) to provide quick action through reductions in real and nominal interest rates, voluntary work-sharing arrangements, and a program of private and public works and services to use the abilities of the unemployed in repairing and improving the Nation's infrastructure of private industry, public facilities, human services, and natural resources;

(2) to provide improved Federal incentives for small and large business enterprises; labor organizations and trade unions; the unemployed; and non-profit, voluntary, and cooperative organizations (including neighborhood, tenant, and home owners' associations and corporations), with the receipt of any Federal incentives by larger corporations conditioned on their performance in living up to well-defined standards of corporate responsibility, including the obligation regularly to certify compliance with laws and regulations governing working conditions, labor relations, affirmative action, environmental protection, taxation, election contributions, and bribery at home or abroad;

(3) to provide for Federal grants to promote creative initiatives by local and State governments and their agencies in planning and budgeting for genuine recovery and a full employment society;

(4) to promote staged reductions in paid working time by reducing the average work week in manufacturing to no more than 35 hours without any corresponding loss in weekly wages;

(5) to vastly increase the opportunities for voluntary part-time employment with full fringe benefits;

(6) to take such other steps as may be needed to cope with the threat of increased unemployment caused by the increased use of technology;

(7) to provide for vastly improved education, training, and retraining of managers, technicians, the employed, and the unemployed;

(8) to prevent plant closings through all feasible means (including conversion to other forms of production and ownership) and provide standards (including measures such as appropriate advance notice, termination payments, and extension of health benefits) for any corporation planning to close, substantially reduce, or relocate its operations;

(9) to promote conversion from military to civilian production; and

(10) to control inflation.

IMPLEMENTATION

SEC. 6. (a) As part of the annual program developed by the President under section 5, the President shall transmit in the annual economic report to Congress a short- and long-range schedule for implementing the purposes of this Act.

(b) The implementation schedule shall include, but need not be limited to—

(1) reductions in the military budget;

(2) recommendations for increased revenues through the reduction or elimination of wasteful tax expenditures and other loopholes in the tax laws;

(3) reduction in interest payments on the Federal debt by reductions in both real and nominal interest rates and Federal deficits;

(4) recommendations for the appropriate use and direction of public and private pension funds; and

(5) the creation or promotion of private and public development banks, particularly in neighborhoods and other areas of high unemployment and poverty.

(c) The implementation schedule shall include, but need not be limited to—

(1) the promotion of educational activities within each State on locally-based overall planning, with special attention to educational processes that promote and use the creative abilities of small, medium, and large business, of labor organizations and the unemployed, and of nonprofit voluntary and cooperative organizations; and

(2) timetables for developing the conditions for progress in attaining the policy goals of this Act.

(d) Any outlays proposed by agencies involved in the implementation of this Act shall be presented in terms not only of gross outlays but also of net outlays, computed with a full estimation of any immediate impact additional employment may have in—

(1) reducing outlays by reducing the number of people receiving unemployment compensation, public assistance, and other transfer payments (without necessarily including reduced outlays resulting from improvements in public health and safety); and

(2) increasing tax receipts as a result of more individuals earning income subject to social security and income taxes and more business enterprises, particularly small business, earning the larger, more stable, and less subsidized total profits possible under conditions of full employment.

HIGHLIGHTS OF THE INCOME AND JOBS ACTION ACT OF 1985, H.R. 1398

The purpose [1] of this bill is to advance the cause of human freedom for all Americans.

It does this by establishing in law an overall economic policy and mandating a coordinated program of implementation.

The policy is to recognize at long last: The right to earn a decent living, and the right to an adequate income for adults unable to earn a living through paid employment.

The mandate is for Presidential submission to Congress of a detailed program for full employment without inflation.[2]

One element in the program would be incentives for planned conversion from areas of declining employment (civilian or military) to those where expansion is needed.

More significantly, the bill mandates the submission of specific proposals to lower interest rates, shorten hours of work, improve education and training, and provide for needed public and private works. Emphasis is placed on cooperative planning by all private sectors, by all levels of Government, and through use of both market and nonmarket processes. Incentives are mandated for bold new local initiatives that would help prevent undue concentration of Federal or corporate power.

Provision is made for short- and long-term implementation schedules that include educational activities and all the States and improved methods of calculating Federal outlays.

The presentation of such a program would be a productive starting point for action by the Joint Economic Committee, and budget committees and the many legislative committees of Congress.

Its presentation would by itself give hope to those in the country's many areas of local recession and depression. Action on this bill with whatever improvements the Congress may determine could be a major step toward reducing the Federal deficit.

Serious attention to this bill would by itself promote more confidence by the many business people who now assume that nothing is going to be done to prevent a future recession that could be even more destructive than the 1981-82 recession.

SUMMARY, "THE INCOME AND JOBS ACTION ACT OF 1985," H.R. 1398

This bill has six sections. It begins with a short title and statement of two fundamental rights: The right to earn a decent living and the right to an adequate standard of living for Americans unable to work for pay. This is followed by sections on conversion to expanding civilian sectors, locally based overall planning and implementation. These would create conditions under which the two rights may be freely exercised.

SECTION 1. SHORT TITLE: "THE INCOME AND JOBS ACTION ACT OF 1985"

This is an "action" act because it can be used to inspire constructive activity throughout the country to:

(1) Get a President and a Congress committed to work together for genuine and substainable recovery based on good jobs and income; and

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[1] H.R. 1398 was formally introduced and discussed on Wednesday, March 6, 1985. See pages H-1068 to H-1078 of the Congressional Record.

[2] This mandate builds on—and improves upon—the "Employment Act of 1946" and the "Full Employment and Balanced Growth Act of 1978."

(2) Prepare a full package of all the many measures—both private and public, local and State as well as national—required to carry out the act's aims.

Why "income" before "jobs"? Income from a good job at decent wages is personally and socially preferable to income from transfer payments. But, if jobs at decent wages are not available, then adequate income must be provided.

The long title refers to a full employment society rather than economy. This stresses the social, ethical, moral and political—as well as economic—aspects of income-job planning and action.

SECTION 2. THE RIGHT TO EARN A LIVING

"Sec. 2(a). Every adult American able and willing to earn a living through paid work has the right to a free choice among opportunities for useful, productive and fulfilling paid employment (full or part-time) at decent wages for self-employment."

This commitment reformulates for the 1980's Franklin Roosevelt's "right to a useful paid employment at fair rates of compensation" in the Hawkins-Humphrey Act of 1978.

The next section, 2(b), requires all Federal agencies to work together to attain and maintain "conditions under which all adult Americans may freely exercise this right".

Subsection 2(c) is a commitment needed today which provides that "Neither the Federal Reserve System nor any Federal department, agency, or commission may directly or indirectly promote recessions stagnation, or involuntary unemployment as a means of reducing wages and salaries or inflation."

SECTION 3. THE RIGHT OF THOSE UNABLE TO WORK FOR PAY

"Sec. 3(a) Every adult American unable to work for pay has the right to an adequate standard of living that raises with increases in the wealth and productivity of the society."

This principle is already embodied in unemployment compensation, public assistance, food stamps, rent subsidies, and other transfer payments to the poor—but in distorted form.

Subsection 3(b) clarifies this dangerous misunderstanding. Distortion one: Many recipients are now regarded "unemployable" even though they are or would be employable if certain minimum conditions—decent job opportunities (including part-time), child day care, relevant job training or education, etc—were met.

Subsection 3(c) clarifies the income amount. Distortion 2: The income received in transfer payments is often inadequate. This subsection, therefore, mandates an adequate standard of living, as defined by the Bureau of Labor Statistics" . . . moderate level of living."

SECTION 4. CONVERSION TO EXPANDING CIVILIAN SECTORS

Sec. 4(a) creates a conversion planning fund, ". . . to be administered by such agencies as the President shall determine." and mandates that the President ". . . shall include specific proposals" for the administration of conversion planning beginning in the first annual message to Congress after enactment of this bill.

Sec. 4(b) provides that this office will "promote short- and long-term plans for coping with declines in civilian or military activities."

This office will promote conversion: (a) from military to civilian, and (b) from civilian sectors (auto, steel, aerospace and many other industries in which employment has been or will be declining because of labor displacing technologies, high interest rates and Third World austerity, to areas of needed civilian expansion.

SECTION 5. LOCALLY BASED OVERALL PLANNING

This section provides for President-Congress cooperation in planning and implementing a staged program to carry out the intent of the previous sections. This is to be done in a manner "designed to prevent or counterbalance any undue concentration of Federal or corporate power." The Government will actively foster non-Federal planning for sustainable recovery and full employment:

Sec. 5(b)(1). Town, city, county, and State governments and their agencies in urban, suburban, and agricultural areas of the country;

Sec. 5(b)(2). Small and large business enterprises, labor organizations and trade unions, the unemployment, nonprofit, voluntary and cooperative organizations (including neighborhood, tenant and home owners associations and corporations), women, and racial and ethnic minorities.

This means inclusive, rather than exclusive, partnerships locally and nationally.

Subsection 5(b)(3) explains how the locally based overall planning works and states what kinds of things local people should be doing.

Subsection 5(d) describes improved Federal incentives (guarantees, loans contracts, tax deductions, etc.) would be provided for all organization listed in subsection 5(b)(1) and (2). Incentives for larger corporations would be conditioned on "their living up to well-defined standards of corporate responsibility". Thus, appropriate advance notice, termination payments, etc., may have required of a company before it decides to "close, substantially reduce, or relocate its operations".

Longer-range measures include (1) the expansion of voluntary part-time employment with fringe benefits, (2) staged reductions in paid working time (with the average work week in manufacturing cut to 35 hours) with no corresponding loss in wages, (3) other steps to cope with technological unemployment, etc.

SECTION 6. IMPLEMENTATION

The program mandated in this bill would be financed by an amount no less than one percent of the amount appropriated for military purposes but also by such larger resource shifts as (1) reductions in the military budget itself, (2) reducing or eliminating wasteful tax loopholes, (3) reducing both real and normal interest rates, and (4) the more appropriate use and direction of the enormous sums in public and private funds, etc.

The implementation schedule shall include the promotion of educational activities within each State and timetables for attaining policy goals of the act.

Mr. HAWKINS. Mr. Chairman, I yield 7 minutes to the gentleman from Michigan [Mr. KILDEE].

Mr. KILDEE. Mr. Chairman, I thank my friend and chairman, the gentleman from California, for permitting me this opportunity to express my strong support for the goals set forth in the Humphrey-Hawkins Full Employment and Balanced Growth Act.

The gentleman from California has long been in the vanguard of those who have sought a rational and compassionate employment policy in this country. He is to be congratulated for setting aside this time for us today. For as we begin consideration of the 1987 budget, there is no better time than today for us to reflect on the necessity of comprehensive planning if we are to ever achieve full employment in the country.

It has been more than 7 years now since Humphrey-Hawkins was enacted. Humphrey-Hawkins established as national policy the goal of 3 percent or less unemployment by 1985, and it provided for a comprehensive and coordinated economic, budget and monetary policy to achieve this goal.

Over the next several days, we will make important budget decisions. As we begin our deliberations, we must keep in mind that the budget does not merely determine the size of the deficit. It is also the major tool we have for meeting our national needs and priorities. The decisions we make during the next few days will affect the economic course of countless Americans.

No function of the Budget is more important to our economic future than is education. Education is an investment in the future, and an investment in full employment. Without adequate funding for education programs, full employment would not be possible.

In 1957, the Soviet Union launched Sputnik, the first manmade satellite to orbit the Earth. The National Security Implications of the Soviets beating us to space spurred a Federal commitment to excellence in education that fueled the greatest revolution of knowledge and learning to our Nation's history; 1957 was proclaimed the international geophysical year, and students all over the country studied advanced courses in mathematics and science.

Today, Mr. Chairman, we face a crisis which equals the so-called space gap of the 1950's:

Our existing industries are maturing and seeking new, more modern manufacturing processes;

New, high-technology industries are emerging everyday, requiring a technically skilled work force; and

International competition, often taking unfair advantage, is claiming more and more American jobs for foreign countries.

One would think that at a time like this, we would be dramatically increasing the Federal commitment to education, as we did in 1957.

But instead, we have been asked to severely cutback Federal support for education.

Since 1981, we have cut Federal support for elementary and secondary education by 40 percent.

And in its fiscal year 1987 budget proposal, this administration asked us to make a 1-year cut in all education programs of $2.3 billion, or 17 percent.

This request included a proposal to cut vocational education spending by 50 percent and postsecondary education spending by more than 50 percent.

We can ill afford such a diminished investment in our children, who are enrolled in elementary schools:

In our young adults, who look forward to a future anchored by a college education;

In our young, who are interested in the trades;

In our disadvantaged youth, who need a headstart and adequate follow-through to escape the cycle of poverty;

In our gifted and talented, who need the challenge of special curricula; and

In our mature workers who need to upgrade skills in order to compete in a changing work force.

Tomorrow, we will vote on a budget resolution. I urge my colleagues to support the resolution produced by the House Budget Committee. The House Budget Committee has rejected the administration's shortsighted proposal to slash education spending. Instead, it maintains current services for education programs. It protects America's students from further cuts in education, and to that extent, I am pleased.

However, we must keep in mind that by merely maintaining current services, we are not addressing many of the urgent educational needs which have caused unemployment levels to swell above the goals set forth in the Humphrey-Hawkins Full Employment Act of 1978.

Franklin Delano Roosevelt said, "The school is the last expenditure upon which America should be willing to economize."

His words of warning, issued during the midst of the Great Depression, are as true today as they were then. President Roosevelt recognized, as must we, that our Nation's future depends on our annual investment in education to prepare a new generation of Americans to someday take the place of today's teachers, autoworkers, doctors, and astronauts.

We must recognize not only the cost of education programs, but also their value. To do less would set our great country down a course of false economies—a course which we can ill afford.

I commend Chairman HAWKINS, who has long championed the unemployed, for recognizing the role education plays in bringing about full employment.

□ 1455

Mr. KASICH. Mr. Chairman, I reserve the balance of my time.

Mr. HAWKINS. Mr. Chairman, I yield 5 minutes to the gentleman from Michigan [Mr. LEVIN].

Mr. LEVIN of Michigan. I thank the gentleman for yielding me this time.

Mr. Chairman, I welcome this opportunity during this periodic review of longer range issues to talk about one of the great areas of unmet needs in America, and that is job training and retraining.

Today, we have an economic picture that some people describe as on an upward trend. But we have beneath that trendline, and it is very arguable indeed, some very, very hidden unmet needs and some of them are not so hidden. They are some deep threats to the future economic security of this country.

One of those relates to the area of training and retraining. We have today various groupings of people who are very much in need of training and retraining. We have a large number of dislocated workers. Hundreds of thousands of people who have lost their jobs because of changing technology. The indication is that this trend is going to not only continue, but is going to deepen.

Hundreds of thousands of people, for example, in the auto industry alone have lost their jobs because of changing technology and because of international competition, often unfair international competition.

Where are these people going to go for their next job? What is going to happen and what has happened to these people? Then, there is another grouping within our society. Those who have never really been within the workflow. We have read the statistics. Reports give varying figures for example about illiteracy in America. But whether it is 20 or 25 percent, whatever the figure is, we know that today there are within this country tens of millions of people who have not had the opportunity, the real opportunity, to create for themselves and have created a state of literacy.

Tens of millions who cannot read help-wanted signs, let alone reading the details of what the jobs might entail. We know what the dropout rates are in many places within America. In many inner-city schools those dropout rates exceed 50 percent. We know that one in four high school freshman today will not graduate.

So we have, in a word, these tremendous needs for our education system and these tremendous demands, these compelling demands, for people to receive training and retraining after they have entered the work force. For my generation the assumption was that for most they would enter employment and be there through their work lives. That has changed; today, people, it is estimated, on the average, will change jobs four or five times.

We have in a word these needs. We also have some know-how as to what to do about these needs. We do not have all the answers, but we have some of the answers. We know that there has been some success with job training programs. We know there has been success with intensive education programs. We know there has been success in partnerships between the private and public sectors in terms of training and retraining.

What debate and discussion today, more than anything else, are supposed to do, is to put the spotlight on the unmet needs of America. I congratulate the chairman for his role from the very beginning in turning the focus for just a few minutes, and I wish it were more, on the unmet needs.

America is going to have to face up, we are going to have to confront our new horizons of needs for training and retraining. I congratulate the gentleman for his efforts to turn our attention to this area. Like many others on our side, and I hope there will be some on the other side, we intend to work with them to make a reality out of the promise of America.

Mr. HAWKINS. Mr. Chairman, may I inquire of the gentleman from Pennsylvania [Mr. GOODLING] whether or not we could borrow 5 minutes? We have one remaining speaker on this side, the gentleman from Wisconsin [Mr. OBEY], the chairman of the Joint Economic Committee. I think we have 10 minutes left, and is it possible that we could borrow the 5 minutes from the other side so that Mr. OBEY would have a total of 15 minutes?

Mr. GOODLING. Mr. Chairman, I am happy to yield 5 minutes to the gentleman from California.

Mr. HAWKINS. I wish to thank the gentleman for his cooperation.

Mr. Chairman, I yield 15 minutes to the gentleman from Wisconsin [Mr. OBEY].

Mr. OBEY. Let me thank the gentlemen on both sides of the aisle for their courtesy in giving me this time.

Mr. Chairman, as I think the House knows, the Humphrey-Hawkins Act requires that each year debate on the budget begin with an examination of the economic policies which are supposed to underlie the various budgets under consideration by the House. I would like to address myself to those economic considerations here this afternoon.

In 1981, this Congress made some crucial decisions along with the President of the United States. It essentially decided that we were going to double military spending at the same time that we were going to be cutting our revenue base by $750 billion over a 5-year period.

It doubled that military spending because we had been told that for the

previous decade the Soviet Union had increased its military spending by about 8 to 10 percent above the inflation rate.

A strange thing, however, the CIA and the Defense Intelligence Agency came before the Joint Economic Committee about a month ago, and they said, "Boys and girls, we were wrong."

This is not DAVE OBEY'S CIA and this is not DAVE OBEY'S Defense Intelligence Agency talking; this is Ronald Reagan's CIA and Ronald Reagan's Defense Intelligence Agency.

□ 1505

What they told us in the hearing before the Joint Economic Committee was that the Soviet Union in their estimate for the past 10 years had increased their military budget after inflation not by the 8 or 10 percent a year, as we had been told before that time, but by 2 percent a year. We were told that in terms of military procurement the Soviet Union had increased its budget by roughly 1 percent a year, most of which went to Afghanistan.

What that means is that the Soviets have been able to modernize their military operations within the context of a virtual freeze. I think we need to ask ourselves why we have not been able to do the same thing in this country. Why is it not possible for the United States, with the greatest technological advantage in the world, to accomplish military modernization within the context of a spending freeze, as the Soviet Union has done? I would certainly think that that would not be beyond the capability of the United States, and I think that this budget presented by the Committee on the Budget today helps us to achieve that by being very tight on that side.

The second thing that we did in 1981, as I said, was to make some judgments about what ought to happen by way of supplyside economics. We were told that if we passed the President's package in 1981, we would see greater growth than we had seen in the past, that we would see greater productivity, that we would see greater savings and investment, and that we would see a balanced budget.

We now have the verdict on those four measurements, and in fact economic growth, while it is certainly better now than it has been for the first 3 years of this administration, for the 5 years during which we have been practicing supplyside economics has been slower than in any other 5-year period since World War II except for one short period.

We also, I think, can see clearly now that over the last 5 years of the economy had grown at the same rate that it grew on average between the end of World War II and 1980, that our economy would today be producing $175 billion more than it is now producing. We also see that productivity growth rather than having increased, has declined over the last 5 years. That is not just the fault of this administration, that has been a continuing problem in this economy really since the sixties.

We also see that personal savings, rather than going up, as we were told would happen if we passed the supplyside approach, are at an all-time low in the economy, which ought to give us pause in terms of what is going to happen to the future ability of this country to invest.

We used to be told that we did not have a worry about deficits, because after all we owed that money to ourselves, to our American citizens. The problem, however, is that because this country has financed its deficits over the last 5 years by borrowing from abroad, we have gone in 5 short years from being one of the major black-ink countries in the world in terms of our trade deficit to being the largest debtor Nation in the world. That also raises serious problems in terms of the long-term ability of this country to grow, because we are going to have to be paying that money back across the waters, and that is going to shrink our ability to grow.

What it means for the future is that we have systematically in our budget been disinvesting in the one portion of the economy that helps us to grow as a nation, and this chart, I think, demonstrates what I mean. I have used it on the floor a number of times before, I know.

If you take a look at this chart, the blue piece represents what we were spending in 1980 for elderly and disabled. We were spending about 37 cents out of every budget dollar for programs for the elderly and disabled in 1980. Under the President's budget today we would still be spending 37 cents out of every dollar. However, we were spending approximately 25 cents out of every dollar on military and foreign operations in 1980. That has grown in the President's request for this year to 31 cents on the dollar, a more than 25-percent increase. Because this military budget increase was financed largely with borrowed money, what we are paying back by way of interest each year in the budget has grown from 9 cents out of every dollar in 1980 to about 15 cents today.

The small green piece on this chart represents what happens to those in this society who do not have any effective lobbyists and who do not have much by way of political champions. It represents the nonelderly poor in this country, and what has happened to them is that since 1980 their share of the Federal budget has gone down from 7 cents on the dollar to 5½ cents on the dollar in the President's budget today.

That means that the remainder portion of the budget, the black piece which you see here, has been cut approximately in half, from 21 cents on the dollar in 1980 to 11 cents on the dollar today. That is the portion of the budget that does two things. It maintains the day-to-day operations of Government by, for instance, paying for the operation of the Customs Service, drug interdiction, keeping our prisons functioning, paying for the IRS, the EPA, all of the other agencies of Government.

But the fundamental thing that that portion of the budget does is to invest in our future. It represents everything that we invest in kids by way of education, everything we invest in workers by way of training. It represents everything we invest by way of research, whether it is medical research or whether it is research to keep us on the cutting edge of technological change, so that we can remain competitive in international markets. It represents everything that we invest in community infrastructure by way of highways and sewage-treatment plants, and all of the things that make a community a good place to do business and enable working people to make a decent wage. That portion of the budget under the President's budget has been cut approximately in half over the last 6 years.

That is why I believe that the budget being brought to the House today by the Committee on the Budget is a far preferable approach, because while it has reductions in virtually every area of the budget, it does not have this dramatic reduction in the investment portion of the budget which, if it is neglected, will result in our inability to compete on world markets over the next 15 and 20 years. And if we cannot compete on world markets, it indicates a tremendous loss of jobs that will inevitably occur over the next 20 to 25 years.

The President's budget suggests that we ought to increase military spending by about $34 billion. It suggests that we ought to increase foreign aid by about $2 billion. And it suggests that we partially pay for that by reducing cancer research by $80 million, by reducing heart and lung research by $60 million, by reducing AIDS research by $30 million, by reducing all medical research by $450 million overall. It suggests that we ought to cut by 25 percent the educational opportunity being made available to middle-class kids to go on to school. It suggests that we ought to cut $8 billion out of agriculture and $5 billion out of transportation to pay for that $34 billion increase in military spending and that $2 billion increase in foreign aid.

Well, I do not think that those are the priorities of northern Wisconsin, I do not think they are the priorities of

the United States, and I do not think that we think that we ought to pass that kind of a budget.

Secretary of State Shultz has made a great deal lately of the fact that foreign aid under the budget resolution now before us is going to be cut substantially below the administration request. I say, "You bet." I congratulate the Budget Committee for recognizing that if we have to make tough choices, we had better pay attention to our own domestic base first.

I want to lay out what the facts are in foreign aid, because one of the hats I wear around this place, in addition to being chairman of the Joint Economic Committee, is to chair the Foreign Operations Appropriations Subcommittee. We handle the foreign-aid budget. I told the Secretary of State in January in a meeting in his office, and I told him again when he appeared before our committee, and I told the Secretary of the Treasury, that if they were not willing to pay for an expansion of our foreign assistance, there is no way that they could expect Congress to provide an expansion in foreign assistance.

I also suggested to them that the country will not tolerate increasing foreign aid by paying for it by gutting cancer research, gutting educational opportunities, squeezing highways, and squeezing the investment portion of the budget here at home.

What this budget does is to make the administration face the consequences of its own refusal to make choices in the area of foreign affairs. I want to tell you what the numbers are in foreign aid since President Reagan became President. In 1980 the United States provided free military assistance to six countries around the world.

□ 1515

Do you know how many countries we are providing free military assistance to today? It is 38.

The President is requesting in his budget a 46-percent increase in low-interest military loans above what we were providing in 1980 when this administration took power. They are suggesting that we pass a foreign aid budget which overall contains a grant military assistance increase of 800 percent.

I challenge you to show me any other program here at home which has grown at anywhere near that rate. I do not think it is responsible for the Secretary of State to condemn the Congress for facing up to the fact that we simply do not have enough money to provide for his wish list for every embassy in the world or for foreign aid program in the world.

The Secretary of State has also suggested that somehow this Congress is endangering his embassy security program. I would point out that some very legitimate questions about expenditures under that program were raised on this floor just last week by a gentleman from the President's own party, and I agree with the questions that were raised.

I would also point out that in the supplemental which we passed we gave the administration the oppportunity to fund that embassy security program, but we required that it not be funded by adding to the deficit. We required that it be funded by taking money away from other programs, as it should be under Gramm-Rudman.

I want to make a few other points. One of the additional reasons why it is essential to pass this budget today is because we need to reduce that deficit by a greater amount than Gramm-Rudman requires if we are to be sure that we are going to avoid sequestration at the end of the process.

We do not want to tell the country what we are going to do by way of establishing budget levels for all programs in the Government and then have to come back in here again in October and tell people, "Sorry, we guessed wrong. We've got to do it again."

The advantage of this budget resolution is that we have an additional $7 billion cushion. The deficit in this package is $7 billion smaller than is required under Gramm-Rudman.

I want to remind you that if the economy moves one-quarter of an inch in terms of what we expect on revenues or what we expect by way of expenditures, or growth, if that economy performs in a way that varies one decimal point from our expectations at this moment, we are going to need that cushion to avoid absolute chaos. That is why it was the responsible thing to do, as the Budget Committee has done, to reduce that deficit below the amount required in order to provide that cushion.

I would like to make one other point. We are often told by the administration and by their allies that the reason the deficits are so large is because we are continuing to spend wildly here at home on domestic programs.

The CHAIRMAN. The time of the gentleman from Wisconsin [Mr. OBEY] has expired.

All time has expired on debate on economic goals and policies.

The Chair now recognizes the gentleman from Pennsylvania [Mr. GRAY], the chairman of the committee.

Mr. GRAY of Pennsylvania. Mr. Speaker, I yield 5 minutes of my time to the gentleman for him to continue.

Mr. OBEY. Mr. Chairman, I thank the gentleman.

I want to give you some numbers to put in perspective what we are spending on domestic programs in comparison to other programs in the budget.

In 1962, the Congressional Budget Office tells us that we were devoting approximately 4.2 percent of our gross national product to domestic discretionary programs. That increased to about 5.8 percent by 1980.

Today because of all the reductions that have taken place on the domestic side of the ledger, we are providing for domestic discretionary programs to solve some of the social problems that we have known we have had for a long time, programs like education and job training and all the rest; today we are providing a smaller share of our national treasure for those domestic discretionary programs than we were providing in 1962 before we ever heard of the Great Society or heard of Lyndon Johnson's plans, before we decided we had a serious national problem which we needed to address.

If we just leave the budget on automatic pilot, if we do not make one policy change, by 1990 the share of our national treasure that we will be devoting to those same domestic programs will be 3.7 percent of the budget, and if we had adopted the President's budget we would be seeing that share of our national treasure, our economic product, decline to 2.7 percent of the budget, which would be a 30-percent reduction since 1964 when we decided we had to do more, not less, to deal with our domestic social problems.

I suggest to you that even if we pass this House budget, that reduction is only going to be slowed down, it will not be stopped; but at least this resolution has the virtue of spreading the pain more fairly. It has the virtue of making the administration face up to the fact that if they want to continue to expand foreign assistance, if they want to continue to expand their military budget, they are not going to be able to do it under Gramm-Rudman processes on borrowed money. That is the major reason why I think we ought to pass this budget.

Mr. Chairman, I yield back to the gentleman from Pennsylvania what time I have remaining.

Mr. GOODLING. Mr. Chairman, I yield 5 minutes to the distinguished gentleman from Virginia [Mr. WHITEHURST].

Mr. WHITEHURST. Mr. Chairman, I would like for a few moments to take us back to 1980, the last year that Harold Brown was Secretary of Defense. We had posture hearings in the Armed Services Committee early that year and Mr. Brown was a witness.

I told him that I was very unhappy about the fact that we were not getting enough funding for operation and maintenance for our military forces. Our fliers were not flying enough. The ships were not steaming enough. We were short of ammunition. We were short of spares.

I asked the Secretary of Defense why we could not do better by oper-

ation and maintenance, and he uttered a great truth that morning. He said, "Well, Mr. WHITEHURST, O&M doesn't have a constituency."

There was a ripple of laughter through the committee room; but I told the Secretary that I thought that he had spoken a truth that all of us needed to hear.

The fact of the matter is that in 1980, American forces in Europe had ammunition supplies for about 18 days.

Our aviators and tactical Air Force were flying about 16 hours a month.

Navy fliers were flying under 20.

We were cannibalizing F-14's in Miramar, CA, to keep other F-14's flying.

This litany could go on and on.

Now, what we did in 1981 was to establish a Readiness Subcommittee in the Armed Services Committee and provide operation and maintenance a constituency which it did not have.

We also did something else. We provided adequate O&M funding and we have spent the last 6 years finally getting our readiness up to a level that our military forces today can fight at a moment's notice.

The ammunition stocks in Europe now stand at 45 days, not 18.

Our fighter pilots are training about 20 hours a month in the Air Force, and about 24 or 25 hours a month in the Navy.

The National Training Center at Fort Irwin, CA, is being used to its maximum.

We have adequate spares, we are ready.

But here is what is going to happen to O&M under this budget. Steaming days for ships will be reduced from 50.5 to approximately 40 days per quarter for deployed ships and from 29 to 22 days for nondeployed ships.

Navy flying hours are going to be down to 20 hours a month. Air Force flying hours back to 16 hours a month.

We will defer or cancel 11 to 13 ship overhauls of 37 that are scheduled.

We will defer or cancel approximately 40 ships from restricted availability.

We are going to ground approximately 150 Navy aircraft.

We are going to seriously reduce support for readiness in all the Guard and Reserve programs.

Significant reductions will occur in all areas of personnel specialized skill training.

There will be a massive cancellation and reduction in scope of Joint Chiefs of Staff exercises.

Very critical supplies and ammunition for war reserve stocks in forward deployment will be stored in the continental United States, rather than shipped overseas.

Quality of life programs are going to decline.

Commissary hours will be reduced.

There will be a dramatic reduction of ROTC scholarships.

I could go on and on. That is the bottom line of a $285 billion budget that is called for by the Budget Committee.

Now, I do not think we can take it. I think when the American people see what we are doing to our military forces in terms of depriving those forces of those readiness requirements that they have, they are going to call us to account.

Mr. Chairman, I urge that we reject this budget, that we adopt one that at least permits us to provide these basic needs.

Mr. GRAY of Pennsylvania. Mr. Chairman, I yield 4 minutes to the distinguished gentleman from Texas [Mr. LEATH], a member of the committee.

Mr. LEATH of Texas. Mr. Chairman, there is no one in this House that I have greater admiration for than my dear friend, the gentleman from Virginia, BILL WHITEHURST, who was just in the well here. One of the great losses we will experience is when the gentleman from Virginia, BILL WHITEHURST, goes through with his scheduled retirement.

Certainly I am not here to argue with the statistics that he gave us, because I know that they are accurate.

But let me remind us of something that is absolutely key to this debate. I have a reputation around here as being one who is very concerned about defense, one who really believed strongly in 1981 that we had to correct the deficiencies that had been allowed to accumulate after the Vietnam years in our Department of Defense. I think we did that and I am proud of having been a part of that.

But Mr. Chairman, let me remind you that we started in 1981 with outlays in defense of $154 billion.

This budget resolution in 1986, 5 years later, will have outlays of $276.2 billion.

Now, we have essentially during that 5-year period fulfilled what David Stockman said back at the very beginning was Cap Weinberger's plan of $1.4 trillion in defense in 5 years.

Now, does that mean that we do not need more than the figures in the budget resolution? No. It does not mean that at all, but that is not really the issue here and the reason it is not the issue is because the President, primarily, refuses to admit why it is not the issue. It is not the issue because we are writing this budget in a straitjacket.

This institution over and over has said that we are not going to do anything about the growth in the basic entitlement programs, particularly Social Security and Medicare.

We cannot do anything about interest.

When you take those three areas, you have just consumed 45 percent of the total Federal budget.

Now, you take defense on top of that, which consumes about 30 percent of the total budget, and you are very quickly up to 75 percent of the total budget.

Take out things like Administration of Justice, et cetera, et cetera, some of the basic entitlement poverty programs that we have to take out, and you are very quickly down to about 10 or 15 percent of the budget that you are trying to find the money to balance this deficit problem with, and we just cannot do that.

□ 1530

I think we have to remember something else. This institution, when it admitted last year that we as an institution of government, meaning us and the President, the Congress and the President, did not have the will to govern the country by making the hard decisions, passed ourselves a law, the Gramm-Rudman Act, which says that we are going to make us cut that deficit and we are going to take 50 percent of that out of defense and 50 percent of that out of domestic programs.

That created a psyche around here, whether we like it or not, that essentially half this deficit problem was going to be solved out of defense. Look at this budget resolution and, again, I am going to say it is not where I would like it to be, but in outlays it is only $5 billion below where the Senate is. If you take the 3-year totals of the savings in this budget resolution, you are going to find out really, and I hope my friend, BARBARA BOXER, will close her ears back there, and some of the liberals, because actually we are taking less than a 50-percent cut in the 3-year totals in the budget in defense than we are taking in the domestic side of this program.

You may not like that and I do not like that, but what are you doing to do about it? Are we going to come in here and tell the American people that we not only do not have the courage to make the hard decisions to solve the problems, but we are going to start raising taxes around here so we can spend. Well, let me tell my colleagues something: As far as this Member is concerned, raising taxes to spend on defense is just as bad as raising taxes to spend on domestic programs.

So I think we have to look at the constraints under which this budget was written, and if we do that, we will find it is a pretty good job.

Mr. GOODLING. Mr. Chairman, I yield 5 minutes to the distinguished gentleman from Arizona [Mr. KOLBE].

Mr. KOLBE. I thank the gentleman for yielding this time to me.

Mr. Chairman, it is said that a budget resolution is a political document. That is a fair conclusion. One might also call it a policy document. It is a blueprint for Congress as it moves

on to the next step in the budget process. It establishes our overall direction and national priorities as they relate to programs the Government has established in order to serve the American people.

But if the budget is going to be helpful to Congress in establishing policy, it must also be specific enough to give guidance to the authorizing committees and to the Appropriations Committee. It cannot, on the one hand, talk about across-the-board spending reductions in a budget program, and say at the same time that all programs will be kept intact with no reductions in funding or service delivery levels. It cannot be all things to all people. But that is exactly what the committee's proposal tries to be in too many instances.

I have been saying since I came to Congress—and before—that we ought to be setting budget priorities and we ought to make spending reductions—not tax increases—to reduce our deficits. In that sense, my criticism is bipartisan; I don't agree with what the other body did in raising taxes, and I certainly don't agree with what the House Budget Committee proposes to do in raising taxes. A tax increase is a surrender to the status quo. It says we are satisfied with the priorities established by previous Congresses—and we are going to make the taxpayer pay for our satisfaction.

We'll hear a lot of discussion about how we are actually going to reduce the deficit below the Gramm-Rudman target set for fiscal year 1987—$144 billion. And we'll hear how we are going to fence those extra revenues, or set them aside, to actually reduce the deficit. Well, we ought to know that is a sham, as phony as a "three dollar" bill.

We had a good lesson in just how phony that is last week when we adopted a supplemental appropriation bill that increased spending by $1.7 billion. Congress can't resist the temptation to go back and restore funds for programs it cut earlier or that Gramm-Rudman cut through the sequestration process. If we can't exercise this discipline in the current Congress, how can we imagine that we will be able to bind a future Congress?

But there is an alternative, and tomorrow we will consider it. It is the substitute put forth by the Republican members of the Budget Committee. It isn't perfect. I don't agree with everything that is in it. But I think it is a more responsible approach to what is necessarily a political process.

It terminates programs. It makes specific reductions in other areas and directs the authorizing committees to make the appropriate changes in those programs. It goes a lot further toward meeting the commitment that this Congress made just months ago to maintain a strong national defense. It doesn't set up a phony "fiduciary" account to be set aside for deficit reduction, and it doesn't raise taxes. It's an honest proposal. I hope this House will give it serious consideration.

But whatever budget resolution we adopt here this week, let us remember that this process is more than a numbers game. We are—or should be—establishing policy that better serves the lives of all Americans.

As George Washington said to our predecessors, "Let us raise a standard to which wise men can repair." In this case a budget standard.

Mr. COLEMAN of Texas. Mr. Chairman, will the gentleman yield for just a second?

Mr. KOLBE. I yield to the gentleman from Texas.

Mr. COLEMAN of Texas. I thank the gentleman for yielding.

Mr. Chairman, I notice the gentleman was talking about the issue of taxes. As I understand the budget proposed by the Committee on the Budget, there is the revenue enhancement that the President had of an equal amount. They are equal, as I understand, to that which the President requested and that which the Committee on the Budget proposed.

Is that the gentleman's understanding? Plus, there is an additional $4 billion or some odd billion dollars in the event that we all agreed that we would pass it. Is that the gentleman's understanding of the revenue part of this budget?

Mr. KOLBE. It is my understanding that there are, and we can call them revenue enhancement or taxes, but there are revenue enhancements and there are taxes in this budget.

Mr. COLEMAN of Texas. They were called user fees by the administration, some $5.9 billion of revenues, and that is what the committee did also; is that correct?

Mr. KOLBE. I do not care whether we call them taxes or whether we call them user fees or revenue enhancements, I do not think we ought to be raising the revenues in this body. I think we ought to be cutting spending, and that has been my position all along.

Mr. COLEMAN of Texas. I think that is the point I wanted to make. This bill does not propose new taxes in the same way that other budgets have done in the past. All this does is reiterate what the President called a user fee.

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

Mr. Chairman, I have served on the Committee on the Budget longer than anyone in this body with the exception of the majority leader, and I want to say to my colleagues that I think that this is the finest budget that has come out of the Committee on the Budget. It is a well-balanced document. For those who are concerned about domestic programs, there is about a 50-percent cut in the domestic area. For those who are concerned about defense, there is about a 50-percent cut in defense programs.

But regardless of what we pass tomorrow, there has to be an enforcement procedure, and I would like to take just a few moments to speak to Members about this enforcement procedure, as chairman of the Reconciliation Subcommittee of the Committee on the Budget.

Mr. Chairman, I want at this time to point out the reconciliation provisions that are included in this proposed budget plan in order to ensure that we achieve the deficit reduction assumed in the plan and avoid the Gramm-Rudman-Hollings-Mack sequestration order.

The plan includes reconciliation directives to 11 House committees and 9 Senate committees to reduce outlays by $9.5 billion in fiscal year 1987 and $22.5 billion over 3 years. The savings ordered by these directives would be achieved by changing entitlement laws, increasing user fees, and providing for the sale of certain Federal assets. These directives are consistent with reconciliation practices of the last few years, except that for the first time a committee is directed to reduce the amount of loan guarantees provided under a program within its jurisdiction. This is a result of a change in the Budget Act included in Gramm-Rudman-Hollings-Mack, which requires that credit programs be treated in the same manner as spending programs.

I should point out that the Senate-passed budget resolution reconciles 9 Senate and 13 House committees and assumes reconciliation outlay reductions of $7.884 billion in fiscal year 1987 and $31.450 billion over 3 years. The Senate resolution also contains reconciliation directives that revenues be increased by $11.312 billion in fiscal year 1987 and by $48.194 billion over 3 years.

Neither the proposed House budget nor the Senate-passed budget reconcile the assumed COLA legislation which would allow a Social Security COLA if the cost-of-living index increases by less than 3 percent this year.

The Senate requires committees to respond to the reconciliation directives by May 15, while the proposed House budget requires a response no later than June 5.

There may be several questions on your mind concerning reconciliation, and I would like to try to answer those.

Question. Does the House plan contain a directive to reconcile revenues? If so, how much?

Answer. The plan directs the Ways and Means Committee to report legislation which would reduce the deficit by $4.2 billion in fiscal year 1987 and by $11.635 billion over 3 years. The reconciliation directive does not specify whether these reductions are achieved by revenue increases or spending cuts, although, of course, the resolution itself does contain assumptions about the mix of spending cuts and revenue increases. I should point out, however, that some of the new revenues that the President proposed would not flow from legislative action by the Ways and Means Committee. For instance, the President assumes $1.8 billion in additional revenues as a result of increased spending for IRS personnel and automation. Providing this additional spending is the responsibility of the Appropriations Committee, not the Ways and Means Committee. Also, this budget does not assume reconciliation of the $4.7 billion in new revenues above the request of the President. Since this is such a controversial matter and since these new revenues are not needed to reach the Gramm-Rudman-Hollings deficit target, these additional revenues are not reconciled.

Question. Why does the Senate provide nearly $9 billion more in savings over 3 years than does the House?

Answer. The primary difference is that the House does not reconcile the savings from holding Federal pay raises to 3 percent annually over the next 3 years and delaying the pay raises from October to January in each year. The Budget Committee assumes these savings will be achieved but it does not reconcile the Post Office and Civil Service Committee.

RURAL PROGRAMS IN THE BUDGET

Committee recommended budget maintains commodity programs at levels set in the 1985 farm bill. Given the precarious situation of the farmer, this is no time to cut farm supports below the levels set in the farm bill. The President's budget assumed no further cuts beyond the farm bill.

Committee recommends $150 million for an initiative to provide credit assistance to distressed farmers. It is assumed that this will be used as a form of interest subsidy for farm loans.

The administration proposed a phaseout of Federal crop insurance over 5 years, and a 39-percent reduction in outlays for Federal crop insurance in fiscal year 1987. The committee budget rejects this proposal.

The administration proposed a new user fee for meat and poultry inspection that would have cost the livestock industry $366 million in fiscal year 1987. The committee rejected that proposal, although it does recommend $54 million in increased or new user fees for USDA grain inspections, market news services, and veterinary services which were proposed by the administration.

Discretionary agricultural and rural programs are generally reduced 2½ percent below the fiscal year 1986 funding level in the committee's proposed budget. This contrasts with the substantial cuts the administration proposes:

The administration proposed a 58-percent cut in the USDA Extension Service. The committee budget cuts 2½ percent.

The administration proposed elimination of agricultural stabilization and conservation service conservation programs, after an 18-percent cut last year. The committee budget cuts 2½ percent.

The administration proposed a 73-percent cut in soil conservation service watershed and flood prevention spending, after a 20-percent cut last year. The committee budget assumes a cut of 2½ percent.

The administration proposed the elimination of Farmers Home Administration [FmHA] rural housing programs, which were already reduced by 19 percent last year. The committee budget rejects the elimination of rural housing programs and cuts only 2½ percent of spending. The committee budget does, however, assume a sale of some FmHA assets, which would bring in $1.15 billion in receipts in fiscal year 1987.

The administration proposed the elimination of FmHA rural water and waste disposal programs. The committee budget assumes a 2½-percent reduction in spending.

The administration proposed elimination of rural fire protection grants. The committee budget assumes a 2½-percent cut in spending.

The administration proposes reduction of the REA electrification programs by 49 percent, after a 15-percent cut last year. The committee recommended a 2½-percent reduction.

The administration proposes a 67-percent reduction in the Rural Telephone Program. The committee recommends a 2½-percent cut.

The administration proposed the elimination of both the Appalachian Regional Commission and the Economic Development Administration. The committee recommends that both the ARC and EDA be cut by 12½ percent in fiscal year 1987.

Mr. Chairman, the pattern is clear. The administration is proposing to drastically reduce the programs which are so important to our Nation's farmers and rural communities, while at the same time proposing we increase funding for defense by 12 percent. The committee position is that the pain of reducing the Federal deficit should be spread evenly, not concentrated on the one particular segment of our Nation. The committee proposes that rural America take its share of program cuts, with most spending cut by the same 2½ percent we cut other discretionary domestic programs. I believe that the rural programs could use more funding, but I know that the residents of rural America are willing to do their part to bring down the deficit. I also know, however, that it is not fair to ask them to do more than their share. I believe that the committee budget does treat rural America fairly and reasonably, and I urge all Members who care about the survival of rural America to support this budget.

OBLIGATIONS

[Dollars in millions]

Program	Fiscal year— 1985 spending	Fiscal year— 1986 spending	Percentage change 1985–86	Fiscal year 1987 proposed by the President	Percentage change 1986–87	Committee percentage change 1986–87
USDA Extension Service	$350	$350		$147	−58	−2.5
Agricultural Conservation Programs	190	225	18	0	−100	−2.5
Soil Conservation Service watershed and flood prevention	213	255	20	68	−73	−2.5
Rural housing [1]	2,834	2,295	−19	0	−100	−2.5
Rural fire protection grants	3	3		0	−100	−2.5
REA Electrification	2,772	2,350	−15	1,200	−49	−2.5
Rural telephone	392	607	55	199	−67	−2.5
FmHA rural water and waste disposal	129	117	−9	0	−100	−2.5
Appalachian Regional Commission	145	162	12	4	−98	−12.5
Economic Development Administration	227	216	−5	0	−100	−12.5

[1] The President proposes that rural housing be supported through general housing programs administered by HUD. Most of those programs are proposed for cuts.

□ 1540

The CHAIRMAN. The gentleman from South Carolina [Mr. DERRICK] has consumed 11 minutes.

Mr. GOODLING. Mr. Chairman, I yield 5 minutes to the distinguished gentleman from Indiana [Mr. HILLIS].

Mr. HILLIS. Mr. Chairman, I rise today in support of the Republican defense budget alternative for the fiscal year 1987 budget.

As a member of the Armed Services Committee I have had the opportunity of reviewing the Defense Department's Budget over the past 14 years. This budget clearly establishes America's defense priorities and policies. It signals whether we are willing to support our role as a superpower, or whether we wish to retreat. The world, especially the Soviet Union, reacts to what we do, and, just as importantly, to what we do not do. A strong defense, supporting a forward-looking foreign policy, is only a facade without sufficient money being spent for our Armed Forces.

Make no mistake, the Soviets closely watch the budget support which Congress gives to back up the administration's defense policy. If we retreat from a strong level of defense budget support at this time, just when the President is planning a second summit with the Soviet leader Mr. Mikhail Gorbachev, it cannot but send a clear signal to our friends and foes alike that we were not serious about our defense policy.

There are, indeed, lessons to be learned from actions that were taken in the Middle East recently on two different occasions. It was only a few short weeks ago that we witnessed our military forces execute a series of precision movements in Libya. Our combined sea and air forces were successful in demonstrating to Col. Qadhafi and those of his persuasion that the United States will not accept terrorist acts against American citizens. We were successful in forcefully conveying this message because our forces on the U.S.S. *Coral Sea*, U.S.S. *America*, and from our four British airbases had the operational readiness to respond to the President's directive. We who serve in this House cannot, with a clear conscience, ask our service personnel to carry out missions of such extreme danger without the necessary equipment and training. Being in a position to respond in this manner requires money—there is simply no way around it.

In contrast, compare the success which our military forces had at desert one in our attempt to rescue American hostages in Iran. Our Armed Forces clearly lacked the necessary operational readiness to carry out this mission. Helicopters and other vital equipment could not be maintained in a state of readiness necessary to accomplish this important mission. In my judgment, this was because defense spending was inadequate to maintain readiness at a sufficient level. This was intolerable, and cannot be allowed to happen again.

It is tempting to look at America's military needs during times of low tension and believe that the defense budget which our Democratic colleagues on the Budget Committee have suggested should be adequate. Unfortunately this is not the case. I propose that as we consider the DOD budget for fiscal year 1987 we remember what happened in Libya and at desert one, and stand in support of budget in this area capable of maintaining our role as a leader and defender of the free world.

The $293 billion budget which we have proposed represents a reasonable compromise which my colleagues on both sides of the aisle can support. It will provide for an adequate defense in the light of our present budgetary restrictions. It recognizes that while we cannot spend as much on our military forces as we would prefer, that we will spend an adequate amount to make certain that our forces are strong so that we may maintain our freedom.

□ 1550

Mr. GRAY of Pennsylvania. May I inquire of the Chair the time remaining?

The CHAIRMAN. The gentleman from Pennsylvania [Mr. GRAY], the chairman of the committee, has 54 minutes remaining and the gentleman from Pennsylvania [Mr. GOODLING] has 66 minutes remaining.

Mr. GRAY of Pennsylvania. Mr. Chairman, I yield 5 minutes to the gentlewoman from California [Mrs. BOXER], a member of the committee.

Mrs. BOXER. Mr. Chairman, I am very proud to be a part of the Democratic Budget Caucus which, under the leadership of Chairman GRAY, produced this committee budget. I want to tell you why I am proud.

First, this is a commonsense budget, hammered out day after day for several months by a coalition of Democrats who are liberal, conservative, moderate, and every shade in between. We Democrats have a big umbrella, and I believe every part of this Congress can feel comfortable under this umbrella which is really the budget; the budget is the umbrella of our Nation's priorities.

Second, this is a fair budget, reaching the deficit goal by equal cuts in military and domestic spending. In the budget of the other body, 87 percent of the cuts come from the domestic side, and only 13 percent from the military. In our budget, the ratio is 50 percent for military and 50 percent from domestic. This point cannot be stressed enough because it means fairness; fairness across the board. The only budget with this fairness feature.

Third, this budget is fiscally tough, while it is compassionate and caring. We have in it a "Children's Initiative" put together by the gentleman from California [Mr. MILLER] and the gentleman from Montana [Mr. WILLIAMS]. We make an investment in the health of our children and in their education. We nourish their minds and their bodies. We stand up to the Pentagon which somehow cannot locate $44 billion of funds that should have been returned to the people over the past 3 years because inflation was lower than expected.

We stood up and said "No, not this time." We want accountability, we want quality, we want efficiency and we want competition. We budgeted a number for the Pentagon that some of us still think is too high, but one which sends a strong signal that the spend, spend—waste, waste days are over, and this message is implied in all of the budget areas.

Gramm-Rudman would be a travesty for America with an indiscriminate ax. The cuts would come down in all areas unless we act on this budget—get to conference and start to govern.

I say to my colleagues on all sides of the political spectrum and on both sides of the aisle: join together and pass this budget that makes sense for America; a fair deal for our people; an equal sharing of pain between defense and domestic programs; a lower deficit than anyone ever dreamed the Democrats could produce—$137 billion, a deficit lower than the other body, a deficit lower than the President, a deficit lower than that which is required under Gramm-Rudman; and we did it without a penny more in taxes than the other body.

Join together with us and pass this budget and make the Congress the instrument of fiscal responsibility and wise priorities.

Mr. GOODLING. Mr. Chairman, I yield 5 minutes to the gentleman from Texas [Mr. BOULTER].

Mr. BOULTER. Mr. Chairman, I rise in opposition to the budget passed out of the House Committee on the Budget. Not so much because the Republican members of the Committee on the Budget were actually ignored and denied the opportunity to participate in the process with our Democrat colleagues; and in fact I want to add a very sincere word of appreciation for the work done by my chairman, the gentleman from Pennsylvania [Mr. GRAY], who I think worked as well as he could within the constraints of his caucus and party leadership.

I rise against this budget resolution because it really is no more than a scaled-down version of the same old tax and spend policy; it is scaled down because of the constraints of Gramm-Rudman-Hollings; but that is what it is nonetheless. It is a product of the

Democrat philosophy of taking cuts out of defense, of weakening defense, and this budget resolution, my colleagues, would actually set defense, our national security, on a 12-percent real decline over the next 2 years while raising taxes on the American people by $54 billion over a 3-year period of time.

Taxes just like happened in 1982 with TEFRA, which will not be used for deficit reduction, but which will be used to further domestic spending programs that ought to be reformed.

I have a low opinion of taxes in general, Mr. Chairman, but I specifically have a low opinion of taxes that are in fact not going to be used to reduce the deficit as the Democrats claim will be done in this case but which I do not believe.

The defense of this country should be the No. 1 priority of this country, and we are not honoring that commitment. I predict, and others do, too, that if this budget resolution passes, we will have to abandon our global commitments, reduce military personnel, reduce operations and maintenance by as much as 15 percent, and devastate the critical readiness factor, and stifle research, modernization, and preparedness.

One other point that I would make to the ladies and gentlemen of this body, and that is in reply to Mr. DERRICK. A lot of us recognize the priority that we do need to give to rural America. The gentleman from South Carolina [Mr. DERRICK] spent some time in administration-bashing as he went over the litany of how the administration quote "trashes," close quote, rural America.

I would remind the membership that only 12 people in the House of Representatives voted for the President's budget, among them very, very few Republicans; and certainly this Member did not vote for that budget. In fact, I am looking forward for an opportunity to vote for a budget which maintains a strong national defense, which does not have a new tax increase and which gives even more priority to rural America.

Mr. GRAY of Pennsylvania. Mr. Chairman, I yield 4 minutes to the gentleman from Minnesota [Mr. PENNY].

□ 1600

Mr. PENNY. Mr. Chairman, this budget is not everything that I would like. But there is no budget that can satisfy each and every one of us in this Chamber. On balance, this is a budget we can support.

I have advocated for some time now that the best place to begin in terms of reducing the deficit is with an across-the-board freeze in all areas of Federal spending. And then to make reductions below that freeze level where possible, and certainly there are areas that can be cut below the freeze level.

One of the reasons I proposed that approach to budgeting is because I had come to the conclusion that we in Congress were incapable of making the choices. However, this budget resolution demonstrates that, in fact, choices have been made.

While overall funding levels have been virtually frozen, certain areas are taken well below a freeze level because they have been deemed to be of lower priority. That is the kind of choice you have to make when you budget. Then a few areas, such as education and certain health programs, have been allowed modest increases because they have been deemed to have a higher priority. Again that is what budgeting is about, to make the choices that make sense for the American public.

But all in all, this is not a budget proposal that will lead to huge spending increases. This budget is essentially a freeze. If you want to look at a budget that increases spending, look at the budget developed by the other body. They have spending increases that are financed by higher taxes. This House budget plan holds the line on spending and raises taxes only to reduce the deficit further.

We in the House reach our deficit reduction target without taxes and then will add some taxes as a way of cutting the deficit even further. Whereas the other body increases spending and increases taxes to accommodate that higher spending level.

The big differences between our budget and their budget is that we spend less. In most major budget categories we spend less. In a few instances we spend roughly the same amount. But, overall we spend less. Our House budget has some modest growth in only a few areas, education and health care, offset by reductions in other domestic programs. The other body would spend slightly less than we do in each of those areas of education and health care. But then they go out and spend billions more on the Pentagon, while we hold the line on military spending.

I am a bit concerned about some who come to the well of this House and argue that somehow we have a weak defense. We have doubled the Pentagon budget in the last 5 years.

America is strong and it is about time that we admitted that we are a strong nation. This budget proposal will not spend a dime less on the military than we spend in the current fiscal year. But in a time of $200 billion deficits, it is also a time we admit to ourselves we cannot afford to go out and spend billions more. We have to hold the line across the board. This budget resolution gets the job done.

This, again, is not a budget that any one of us would have individually written. But you have to take budgets on balance. Sometimes, on balance, they are not good enough. I think on balance this one is.

Mr. Chairman, I intend to support it.

Mr. GOODLING. Mr. Chairman, I yield 5 minutes to the gentleman from New Jersey [Mr. COURTER].

Mr. COURTER. Mr. Chairman, why is the President's party in Congress responding to a majority defense budget which is all wrong, with one that is half wrong? Look at this alternative defense budget authority figure of $293 billion. What principle underlies that figure, what rationale explains it? Is it some targeted share of the whole budget or some significant portion of the gross national product? No. It doesn't have anything to do with our defense needs at all. It just happens to be a halfway point between what our party carried in the other Chamber's budget and what the majority is proposing in the House. In the strict sense of the word, it is unprincipled.

We should be deciding our defense budget in a principled way. If principle ruled, we would not look to the majority's budget—we would look to the threat to which we are supposed to be responding. The threat, may I say to my fellow party members, isn't the Democrats—it's the Soviet Union. Of course, someone may know more than I do about these matters, but I haven't read anywhere that the Supreme Soviet's equivalent of the Armed Services Committee has cut Defense Minister Ustinov's military buildup recently. We do know that in the next 5 years the Soviets are expected to deploy 40 new nuclear submarines and 500 more ballistic missiles and 18,000 modern tanks. By comparison, even if Congress cuts nothing from the President's proposed budgets over 5 years, the United States will deploy only 25 nuclear subs, 50 ballistic missiles, and 4,200 modern tanks.

Bud McFarlane, our National Security Adviser until a few months ago, recently wrote that:

> In the past 5 years, notwithstanding what we have built, the Soviet Union has produced twice as many fighter aircraft as the United States and her NATO allies, 4 times as many helicopters, 5 times as many artillery pieces, 12 times as many ballistic missiles and 50 times as many bombers. The threat is not diminishing it is getting more severe.

America came out of the 1970's calling it a decade of neglect as far as our defense posture was concerned. Everybody knew our defense forces had to be upgraded and modernized, and the Reagan administration did what it had to do to meet the short-term problem. But building upon what we have accomplished in the last few years is a long-term year-by-year proposition. It is—let me be plain about it—irresponsible for our party to help dismantle what our party was elected to the White House to accomplish. We

cannot rest on our defense laurals; our adversaries in the world will not allow it.

Moreover, we made an agreement last year, a contract, I say to my Republican colleagues, with President Reagan. He accepted a 1-year real freeze on defense spending; we agreed to 3 percent real growth in fiscal year 1987. Have we forgotten our word? Let me remind you that last year's budget resolution set the fiscal year 1987 defense target at $314.7 billion. This year the administration came in with a request of $311 billion, which is within the contract we made with the President.

The Senate, controlled by our party, came in with a $10 billion cut in that request. That cut alone reneges on Congress' word. The House majority's figure of $285 billion doesn't begin to meet the needs set by our adversaries, but what in the world are we Republicans doing slashing $18 billion, a 6-percent cut, from the President's request? Did we of the President's party have an agreement with the President last year or didn't we?

I know that many Members are hypnotized by stories about $600 toilet seats and $435 hammers. But may I say that we in Congress had better learn to stop generalizing about our defense budget needs on the basis of specific abuses. Concerns about the cost and performance of specific weapons systems are not incompatible with supporting the necessary levels of defense spending, but it's time we started speaking the truth to the American people. The truth is that there is no such thing as a cheap defense. Defending our country and providing our young men and women in the Armed Forces with the best possible weapons, equipment, and services we can is expensive—but it is right. Whenever we save $430 on those hammers, those dollars don't go back to the Treasury. They still need to be invested in real capital improvements and human resources in our deterrent system.

We are not talking about competing priorities here. We are talking about preserving and defending America's ability to have priorities, to make the choices only a free people can make.

I cannot support this alternative defense budget, which breaks our word of last year and which is based on no higher principle than the principle of splitting the difference between meeting our needs and refusing to do all we need to do to keep our Nation safe and our people secure.

Mr. GRAY of Pennsylvania. Mr. Chairman, I yield 6 minutes to the distinguished gentleman from Virginia [Mr. OLIN].

Mr. OLIN. I thank Mr. GRAY, the chairman of the committee.

Mr. Chairman, I rise in support of the committees' budget resolution. I do that because I think that the budget resolution represents reasonably good priorities. But most of all because it represents a budget that has a very good chance of achieving the Gramm-Rudman deficit target for next year of $144 billion and avoiding the risk of sequestration in August.

All of us know that we want to reach that objective. We want a budget that reaches the objective. I doubt anybody in this body does not want that. We also need to recognize that in order to reach that objection, the numbers in the budget have got to be real, that we have got to have statements that are conservative, and we have to have a budget that is actually achievable. So that on October 15 we do not have the same situation that we have had many times in the past where we thought what was a deficit reduction ended up being no deficit reduction at all or maybe an increase.

I bring that up because my skepticism comes from the experience that you and I have all had. I remember back in 1984, just 2 years ago, all of us that year who were up for reelection, and we all were, campaigned on the basis that that year we had just finished working on the 1985 budget. We had expected that we were going to achieve a $173-billion deficit. The President campaigned on that information. I campaigned, everybody campaigned. We thought we had done a good job. CBO and OMB were supporting those numbers at that time. Two weeks after election, if I remember right, OMB changed their statement. They said 1985 was not going to be $173 billion, really it was going to be $212 billion. CBO lined up with them right away; never did justify that change.

But we do not want that to happen with this budget. We do not want that to happen with this budget.

I hope and I think that the Budget Committee understands that point and that they have been careful enough in their work on this budget to avoid this situation. I think they have been conservative. They have been very careful not to count on revenue that we have not figured out how we are going to get yet. They have been careful not to take the highest estimate of economic growth. They have been careful not to put in "hope" items, fuzz.

We should be all right on this budget. Mr. Chairman, I support you. You have done a good job. You have a very good chance of carrying off this budget.

Mr. WRIGHT. Mr. Chairman, will the gentleman yield?

Mr. OLIN. I yield to the gentleman.

Mr. WRIGHT. I thank the gentleman for yielding.

Mr. Chairman, I rise in support of the House Committee Budget. It is austere, but it is fair. It strikes a delicate balance among our many clamoring priorities while reaching a much lower budget deficit than anyone seriously expected could be done.

The House budget spends less than the Senate budget, but it spends it more wisely. This resolution is approximately $15 billion under the total budget authority contained in the Senate bill. Actual outlays in the House version are $7 billion less than in the Senate version.

The House resolution is preferable to the Senate resolution in three very important ways.

First, it achieves greater deficit reduction than would be achieved under the Senate mandate. The deficit reflected in the House bill is approximately $7 billion lower than that in the Senate bill. It is lower than that recommended by the President, and substantially lower than that requested by Gramm-Rudman.

The House resolution offers an option on additional revenues. By including the same revenues contained in the Senate bill it allows us to reduce the deficit by $7 billion more.

Or if we were to forego some $5 billion in new taxes proposed by the Senate over and above the President's recommendation, we still would have a deficit $2 billion less than the Senate bill.

In other words, our bill without the additional taxes would reach a $2 billion lower deficit than the Senate bill with taxes.

The second way in which the House resolution excels over its counterpart in the Senate is that we are more equitable. We cause the ax to fall equally between defense and nondefense items. We require the burden of spending cuts to be shared proportionately.

The Senate resolution, by contrast, exacts 86 percent of its cuts from programs that directly serve and benefit the American people, and only 14 percent of the cuts come from the military spending side of the ledger. Manifestly, this is unfair—particularly in view of the glaring examples of waste and abuse which have recently been revealed in certain portions of Pentagon spending.

Finally, the House bill is preferable to the Senate bill because it is more responsive to the American people. While achieving lower spending and lower deficit levels we provide $500 million more for education and job training as an investment in the future.

We provide more by $350 million than the Senate does to fill our strategic petroleum reserve so as to reduce our vulnerability to international blackmail. The House bill targets these purchases so as to buy from stripper wells and stop their being shut in.

We offer $20 million more for National Science Foundation research, $75 million more in budget authority for supplemental food coverage for women, infants and children, and $380 million more to make Medicaid services available to the Nation's elderly poor. The Senate by contrast assumes a $260-million reduction in these programs for 1986.

The House assumes $600 million more in budget authority for Medicare funding to prevent an inequitable and unconscionable burden from falling upon our senior citizen who are seeking hospitalization. Under the Senate bill, the amount which a patient would assume out of his or her own pocket would rise next year to almost $600 before that patient would be eligible for any Medicare assistance.

For these reasons, the House bill surely offers a better alternative and one which the American people will find fairer, more equitable and more fiscally prudent.

Mr. OLIN. I thank the gentleman for his comments. I thoroughly agree with them.

I have just one more point: Most of you have confidence that the committee has done a good job in putting this budget together. But as we go through the rest of our appropriation work, if we find that we have got a soft budget, that we have got the chance that we are going to run into sequestration, I hope that this House will recognize the importance of facing up to that case by case as we find it out and making adjustments legislatively so we do not end up on August 15 or, better still, October 1 facing a sequestration action to really make good what we think we have done in our budget right here.

Mr. Chairman, I commend the committee and its chairman for the work they have done up to this point.

Mr. Chairman, I support the resolution.

Mr. GOODLING. Mr. Chairman, I yield 5 minutes to the distinguished gentlewoman from Connecticut [Mrs. JOHNSON].

Mrs. JOHNSON. I thank the gentleman very much.

Mr. Chairman, I rise in opposition to the Democrats' budget and urge all my colleagues to support the Republican alternative, and I want to assure those that have not yet examined our alternative, that if they begin examining that alternative now, they will have more time to review it than the Republican members of the Budget Committee had to review the Democrats' proposal.

□ 1615

In the long run, the Republican alternative is not only a balanced, honest, and responsible approach, it is the result of a sound, serious, and broad process.

The Republicans on the Budget Committee met with members of subject matter committees and their staffs, drew on the expertise of those members, and then included all Members who had studied the budget with the 92 Group Budget Task Force to go program by program through each budget function to evaluate each program and set priorities, and though that process to build the consensus on which a sound budget in a democracy has to be based.

Our budget figures have been reviewed by the Congressional Budget Office. They have been checked by that office, and they will yield the savings that are promised.

Our budget is not the result of the broad general language purports to define the spending plan embodied in the Budget Committee's budget, nor is it formula driven as is their budget. We do not talk in terms of across-the-board percent cuts. That is because we believe budgeting requires taking responsibility to make hard choices, to set priorities, to say that indeed in America one thing is more important than another.

Not only was our process sounder, but our figures are sounder, and it does disappoint and amaze me that for the second year the Budget Committee is bringing to the floor of this House, many days—indeed weeks—after the Senate acted, and well beyond the Gramm-Rudman date that we wrote into the law of this land, a budget that was not prepared sufficiently in advance to allow our own Congressional Budget Office to evaluate its figures and to certify that indeed it will accomplish the goals that it adopts.

Last year, if you will recall, the Democratic Budget Committee brought a budget to the floor that CBO had not costed out and they promised us on this House floor that their budget would cut $55 billion. But when the lights were off, the dust had settled, and the rhetoric had cooled, and CBO had reviewed it, it turned out to be worth $35 billion. And on this floor in the budget debate, the House Budget Committee assured us that they had the agreement of their appropriating committee chairman to meet their targets, but again, when the months had passed and the dust had settled and the nitty-gritty of the appropriations process had ground its wheels forward, we were not able to achieve even what CBO said we ought to have achieved, indeed barely half that amount. It was last years performance by the Budget Committee that as much as any single factor, forced Gramm-Rudman upon us.

Yet this year has provided us with repeat performance. They delayed until their document could not be reviewed by the objective Congressional Budget Office. They come to the floor with something that cannot be verified, that will not meet its goals.

On the other hand, we come to the floor with a document that has been reviewed by CBO, not just once, but many times throughout our process. We have provided the leadership to set honest priorities. We have been willing to take the tough responsibility of looking to see if our appropriating committees will be able to reach this bottom line, what they will be compelled to choose between. We know what those decisions are. We know we can say to them, "If you cannot do it, we can do it for you, and there is the plan to do it."

We cannot do that with the House Budget Committee budget, because it says we are starting with a discretionary freeze, adding somethings back, cutting another 2½ percent, and so on. Boilerplate language drives this budget. Feature this: In the international affairs section of the budget, they say, "notwithstanding programs affecting low income children and families." Well, those programs do not affect children and families, but the boilerplate language appears anyway as it does in every function of the budget, applicable or rational or not.

What way is that to establish the priorities of the greatest Nation in the world, of the most free people, of the strongest democracy? What does it say about America when the first meeting of the House of Representatives Budget Committee is to have a picture taken of the committee, and the second meeting is to vote on the budget?

I served on an appropriations committee in the State Senate of Connecticut and I know the hours it takes to propose a responsible document. I have done it here as well and I know the work it takes and I am astounded that the Budget process has for a second year been a complete sham.

I hope the American public will hold the Democrat Budget Committee responsible for not only the slipshod, but the clandestine work that they have done. I hope my colleagues will have the courage to support the budget whose figures are honest, whose process was deep and broad, and whose budget will serve this Nation. When Gramm-Rudman takes that snapshot, if it is our budget, we will pass that important test. If it is the committee's budget, driven by platitudinous language without specific substance, we will be back with the concession budget on the floor as an alternative to the Gramm-Rudman automatic formula budget. We will be back with our budget substitute, because its figures are CBO approved, it is honest and it will work for America's working people.

Mr. GRAY of Pennsylvania. Mr. Chairman, I yield 5 minutes to the dis-

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tinguished gentleman from Washington [Mr. DICKS].

Mr. DICKS. Mr. Chairman, I thank the gentleman for yielding this time to me.

Mr. Chairman, first of all, I want to compliment the chairman of the Budget Committee and the members of the Budget Committee for, in a very difficult budgetary year, coming up with a budget document and presenting it to the House of Representatives. The very fact that the committee was able to pull together the compromises necessary to present a budget, I think, is something that they should be applauded for.

Now I must say for those of us who serve on defense-related committees in the Congress that we are certainly cognizant of the fact that the budget figure, $285 billion in budget authority and $276 billion in outlays is going to be a very difficult target for the House Armed Services Committee and for the Defense Appropriations Committee to meet.

We also are cognizant of the fact that in the Senate the number of BA is at $301 billion, and I believe their outlays number is $282 billion. And we also understand that there will be a conference between the House and Senate in which those numbers on BA and those numbers on outlays will have to be adjusted. I would hope that they would be adjusted in a way that will allow us some additional flexibility in the defense area to meet the needs of our country.

I would like to point out that last year, and some people have forgotten this, defense was cut 6 percent in real terms by the House, versus the 1985 levels. We went down from about $293 billion in BA to $286 after sequestration. And this year at $285 we have basically a freeze without inflation.

One of the reasons why the deficit is lower this year is because of the fact that the Appropriations Committee on Defense has, in a sense, frozen defense spending for the last years.

I think it is important for Members to understand that when we appropiate money in defense, it spends out differently than on the domestic side. When we appropriate money for pay for our troops, 99 percent of that is spent in the first year. When we spend money for the operation and maintenance, for the exercise, about 85 percent of that is spent out in the first year. When we do research and development, only 50 percent of that money in the first year. And in procurement, only 11 to 15 percent is spent out in the first year.

Much of the outlays this year in defense, over $100 billion, comes from prior year budget authority. We have in a sense created a bow wave because of the commitments that we have made in the past. That is why it is very difficult to control outlays. It is much easier for us to deal with budget authority. And as we level off budget authority, over a period of time it will affect the level of outlays.

So I want to give the Budget Committee the chance to go to conference. We need a budget. We need desperately to have an alternative to Gramm-Rudman.

Let me explain to my colleagues what happens in defense if Gramm-Rudman goes into effect. It will mean that immediately on September 31, October 1, 350,000 active duty troops will be taken out of the military. It will be the most devastating blow to personnel in the history of the armed services of this country. We will have to breach many contracts, including multiyear contracts. That will mean a tremendous loss of money to the government because those contracts will have to be renegotiated and we will have to pay extensive penalties.

□ 1625

So getting a budget this year is much different than any other year, because if we do not have a document, if we do not have the House and the Senate together with a budget, then Gramm-Rudman goes into effect and, believe me, for defense it is a disaster. And the reason we are here today is because the President of the United States refuses to live up, in my judgment, to his constitutional responsibilities for our national defense by not seeking the necessary revenues to finance that national defense. I think it is irresponsible for him to criticize the House of Representatives for dealing with the budget that has to fit the Gramm-Rudman guidelines when he supported the Gramm-Rudman approach and which requires these deficit reduction steps. It is painful in domestic programs and in defense programs. But if the President does not like it, then he has got to do something, and that is to come off of his no-new-taxes-under-any-circumstances pledge, which I think is wrong.

The CHAIRMAN. The time of the gentleman from Washington [Mr. DICKS] has expired.

Mr. GRAY of Pennsylvania. Mr. Chairman, I yield 1 additional minute to the gentleman from Washington.

Mr. MACK. Mr. Chairman, will the gentleman yield?

Mr. DICKS. I yield to the gentleman from Florida.

Mr. MACK. I thank the gentleman for yielding.

Can the gentleman give me what he feels the outlay number would be in defense if the Gramm-Rudman sequestration took place on October 1.

Mr. DICKS. Well, it is hard to say, because you have to look at the size of the deficit. Let us just say the deficit was $40 billion. Let us just say it was $40 billion more than 144. Let us say it is 184. We would then have to cut $20 billion in budget authority from the defense side. This is outlays. But in order to get that, we would have to cut somewhere between $50 billion and $60 billion in budget authority to get that $20 billion reduction in outlays. And that would be a catastrophe for defense in this country.

Mr. MACK. Would it be lower than 265?

Mr. DICKS. I think it would have to go below 265 to get $20 billion out of outlays, in my judgment.

Mr. MACK. I thank the gentleman.

Mr. GOODLING. Mr. Chairman, I yield 5½ minutes to the distinguished gentleman from Louisiana [Mr. MOORE].

Mr. MOORE. I thank the gentleman for yielding.

My colleagues and ladies and gentlemen who may be following this debate, I am sure many of you are getting a bit confused, your eyes are beginning to glaze over. You have heard a long debate, you are hearing big numbers, billions of dollars, hundreds of billions of dollars, budget authority, outlays, you are beginning to wonder just what all this is about.

Well, let me tell you it is good news. What we are about is good. What is happening here is that the budget process, as was intended when it was passed by the Congress in 1974 and strengthened last year by the passage of Gramm-Rudman, is proceeding. That is the good news.

The Supreme Court has under consideration right now the lawsuit challenging the automatic cut feature of Gramm-Rudman which says if we do not go through this process we are going through today, then there would be an automatic cut in spending to get us down to a balanced budget by 1991. That Court decision worried a lot of American people, including me. It worried me to the point that if the Court says that is unconstitutional, then we are left with not doing very much to balance the budget, and that concerns me, as the Congress has not done very much in its history to balance the budget.

So what I see happening here today is the fact that both Houses of Congress are about to pass a budget resolution that is going to meet the Gramm-Rudman totals, we are going to live up to that law even if we do not have the automatic-cut feature in place. That is the good news. That is the important thing for everybody to remember about what is going on in this process here today.

We could talk about some specific points in the budgets to be considered. I was the only Republican who last year supported the budget resolution that came out of the Budget Committee on which I am privileged to serve. I did so because that budget tried to get and did get at reducing the deficit.

Last year I voted, and was criticized for doing so, to freeze defense spending, as that was in that budget resolution. We froze defense spending after taking into account for inflation, and supposedly we are going to have a 3-percent real increase in defense spending this year. That was in that budget resolution I voted for.

Now the budget resolution that comes out of our committee goes backward. It actually does not even give anything for inflation. It is actually slipping backward. It is not living up to last year's budget which calls for a real increase in spending this year. Maybe we cannot afford a real increase in defense spending this year. But we darn sure ought not do anything more than freeze, and we ought to do something to take care of inflation if we can. This budget resolution we have before us does not do that, so that is a weakness, that is something that ought to be rectified before this is finally enacted, and I predict it will be. I predict what we will get back out of a conference will take care of this flaw.

A second flaw I see in this is the fact that there really is not any permanent cuts in spending. It is true that they go through and freeze domestic spending, and even in some cases reduce it by 2½ percent. That is better than nothing. Do not get me wrong. But if we want to get to that balanced budget deadline in 1991, eventually we have got to get back to the business of permanently changing those spending programs, not justing freezing them, and not just cutting back a little bit each year. But, again, I do not want to be too critical. I compliment the committee for even reaching a Gramm-Rudman budget total, as that was very much in doubt up until about a week or so ago. So I am glad to see the process move forward, even if it is not exactly as I would do it.

The third and final feature in this bill is a very modest—I say that in all candor—increase in taxes, $4 billion next year, a little bit more than that the second and third year. I happen to believe you do not have to raise taxes to balance the budget. I think there is enough spending there that we can find to cut to do that, but there are those that disagree with me. I would simply suggest that if you are going to raise revenue, and it looks like the Senate budget resolution does call for a revenue raiser, and now this one does, as well, it may be that we are going to have to do that. If we are going to do it, I submit the most painless way to do that—and I would urge my colleagues to think about it—is an oil import fee. We are never going to see the prices of things that you make from petroleum cheaper than now. We are never going to see a better time to do something like that, and we could do it for a small number of years, 1 or 2 years, and would easily raise the money necessary for something like that and preserve us from becoming dependent once again on the nations of Saudi Arabia and others for our supplies of oil.

But I think that the Republican substitute that is going to be offered, even without that feature, is better than the bill before us. It is more realistic on defense with a freeze, it does get more at spending, it does not have the tax increases. I think that is a better way to go.

So I would say that there are differences between the substitute that is going to be offered and the resolution before us. I am going to vote for the substitute. It is better. But I want everybody to understand that what is happening here today is good, as the process is continuing. I was so afraid it was not. That is the important good news. Both sides are trying to move forward and reach the Gramm-Rudman deficit goal of $144 billion deficit next year and, eventually, by 1991, a balanced budget and 7-percent interest rates.

Remember the goal we are working for. Seven-percent interest rates if we balance the budget in 1991.

Mr. GRAY of Pennsylvania. Mr. Chairman, I yield 5 minutes to the distinguished gentleman from Michigan [Mr. WOLPE] a member of the committee.

Mr. WOLPE. Mr. Chairman, as a member of the Budget Committee, I rise in very strong support of this budget resolution. I want to join in the commendations that have been given earlier to our chairman, the gentleman from Pennsylvania [Mr. GRAY].

Several months ago, there were very few people in this Chamber who anticipated that Congress would in fact be able to meet the Gramm-Rudman deficit target of $144 billion for 1987. I think we all feared the prospect of suddenly seeing the automatic cuts that would be triggered under sequestration if we failed to meet that target.

The fact that we have not only met—but exceeded—that target is very largely attributable to the leadership and the ability of our distinguished chairman.

This is a tough budget. There have been some very difficult choices that have had to be made.

It is useful to contrast this budget with that which was originally presented by the administration if we are to fully understand what an excellent document we have before us. There are 2 points that I would like to underscore: The first point is that the President's budget itself failed to meet the Gramm-Rudman budget target for 1987 and would, if adopted, have triggered sequestration and the automatic reductions we all feared. According to Congressional Budget Office reestimates, that budget called for a $160 billion deficit in 1987, $16 billion over the Gramm-Rudman target for that year, $61 billion over the Gramm-Rudman target for the 3-year budget cycle.

By contrast, the House Budget Committee resolution which we have before us exceeds the Gramm-Rudman target in 1987 by some $7 billion, and exceeds the target by almost $17 billion over the 3-year cycle.

I want to emphasize that that is not simply a macho exercise to see how much pain we can inflict upon ourselves. It is in fact a critical cushion that is an integral part of the House Budget Committee resolution.

The simple reality is that we have no assurance that the economic assumptions that underpin the budget resolutions of both the House and the Senate will in fact be borne out by economic experience.

One quick example: The inflation rate is down. That is good news for America, but it complicates the forecasting of future budget deficits because it means there will probably be less revenue coming in to the Federal Treasury.

So it is critical that we have the cushion that is provided for in the House Budget Committee resolution to prevent the triggering of sequestration.

The second point that needs to be emphasized as we contrast the House Budget Committee resolution to that advanced by the President is the issue if priorities—the very different allocation of burden that is made across the various programs of the Federal budget.

The President came forward with a budget this year that calls for some $22 billion in reductions in domestic programs. He called for the elimination of over 40 domestic programs, ranging from Legal Services Corporation to Urban Development Action Grant programs, and operating subsidies for mass transit. Under the President's recommendations, cuts would be made in vital areas of the budget critical to our future in education. Some 1 million students who now receive financial assistance to colleges and universities would no longer be eligible under the President's budget.

The President, however, not only called for these massive reductions on the domestic side of $22 billion, he also asked for a $31 billion increase in defense outlays. Thirty-one billion dollars. In reality, the domestic reductions the President is calling for are not even going to deficit reduction. They were simply going to finance the very extraordinary increase in Pentagon spending that he has sought from the very beginning.

By contrast, the House budget exceeds the deficit target, but imposes

that burden equally spreading the overall burden of spreading reductions 50-50 between the Pentagon and domestic programs.

I would point out that in that respect the House budget resolution is also much fairer than that which has come out of the Senate which puts 86 percent of the burden of budget cutting on domestic programs critical to Americans in all walks of life all across this county. It takes only 14 percent of the budget cuts out of the Pentagon.

I would also like to make one final point in regard to our committee's budget. The revenue increase in our resolution is of the same size as that in the Senate resolution, but we devote our increase solely to deficit reduction. The Senate uses its revenue increase to protect the Pentagon from making its contribution to a 50-50 formula for deficit reduction. I would also note that the revenue increase in our resolution will not require any kind of income tax increase for average working Americans. Additional revenues can easily be found by closing tax loopholes that currently allow wealthy individuals and profitable corporations from paying their fair share of the tax burden.

□ 1640

In short, this budget is realistic; it is fair. It will do the job of creating the conditions necessary to keep interest rates coming down and sustaining the economic recovery.

Mr. GOODLING. Mr. Chairman, I yield 10 minutes to the gentleman from Alabama [Mr. DICKINSON].

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

Mr. Chairman, to my distinguished friends and colleagues, let me say that what we are doing here today, while historic, is not pleasant. I cannot agree with everything that the Budget Committee has come up with, even though I would like to make my compliments and tribute to the long hours, very long hours, hard work and dedicated service that the members of the committee have put in in studying the problem and trying to address the needs of both defense and nondefense spending, and trying to come up with a solution that has been forced on them by the action of the House and the Senate last year.

As has been pointed out, if I might recap, last year in the final figures, the fiscal year 1986 final figures, we approved $286.8 billion. This is a substantial reduction from that figure that had been requested by the administration, and we wound up with about a negative 6-percent growth.

This year, the President's request, when it came over was $320 billion. The Senate reduced this figure to $301 billion. I am speaking in budget authority. A $19 billion cut.

Now, the House has come in not at 301, but at 285. Can we do this? Well, of course; we can do it. We can do anything the House asks us to do. No proposed level is really impossible. The real issue is whether or not the House really wants to do what these figures would compel us to do.

Do we really know and appreciate what the reduction in these amounts would mean to our defense in this country? A reduction of $35 billion from the President's request can be accomplished but it is a large enough reduction beyond what the House has normally done in the past so that we will be a far cry from doing business as usual.

Perhaps this is good in some peoples' minds. But what will it mean? It will mean substantial cuts in important and well-supported systems. It will mean production levels of most systems will be kept at or below last year's level, and there will be no new program starts. There will be no way to justify congressional add-ons. Two hundred and eighty-five billion is less than last year even after the Gramm-Rudman sequester, and represents a real decrease in defense spending of about $15 billion or 5 to 6 percent.

The outlay figure of $276 billion will necessitate a very large, a very strange and unlikely type of reduction in defense in order to achieve the $285 billion budget authority level or else the budget authority level may have to be driven much lower to achieve the outlay figures.

What does this mean? I do not want to be in a position of crying wolf; trying to scare people by painting a picture of doom and gloom and saying, "Oh, if we do not do this the sky will fall." I have had the staff on the Armed Services Committee make a study and give me the benefit of this, and these are professional people and this is their honest opinion.

The cuts that are being required by this budget that has been presented to us in research and development, and to me this is the lifeblood of our defense because with the cutting edge of technology that we have enjoyed in the past to keep us ahead of our potential adversaries, we would fall further and further behind in our ability to defend ourselves because we cannot match them in numbers of people or in numbers of weapons that are being produced.

We will have to have a reduction of over $6 billion in research and development which will mean the elimination of over 40 different major programs. We will have to reduce a large number of programs for budgetary and not substantive reasons.

In procurement, a reduction of almost $16 billion will be required. That is those weapons systems that we actually need to acquire, to buy, to put into the inventory. Level production rates to the fiscal year 1986 level, that is, cut back, and this will probably cause total program costs to be higher in the future.

We have been trying for a number of years to get our Defense Establishment to procure things at the most reasonable and the most economical production rates, to build up to where the overhead, while it is fixed, we are getting the most for our money. But cutting back and slowing down production we simply drive up the cost of weapons systems and the production thereof so that in the outyears we will be paying more and getting less.

It would eliminate all new starts, although most of these programs that are requested will probably have to be started and certainly need to be started in the near future.

As to personnel, I want everybody to hear this, "No active duty pay raise will be allowed even though the budget process anticipates that this will be the case." Further, there will be no increases in numbers of people. As a matter of fact, we anticipate a serious reduction in the numbers of people.

We will have to cancel two large ships like the DDG's and several smaller ships. In operation and maintenance, over $4 billion in reduction even though these funds are needed to pay for weapons systems that have already been bought in the past.

In military construction, that is family housing, all brick and mortar type fo operations, we will defer a large number, that is 86 of construction programs for future years and prohibit all new starts. Denial of Navy, and listen to this, Navy Home Porting, which is so dear to many people in this Chamber and in this House; it will not be this year. The light division for Alaska; not this year.

The above initial set of reductions assume that no additions to programs requested or amounts requested for programs have occurred and recent experience has been as follows: For the last 2 years, the Congress has had add-ons to what has come over and requested by the administration. In the last 2 years, the House added $115 million and $658 million for fiscal year 1985 and 1986, respectively, just for the Guard and Reserve.

Last week, and we are here today talking about reducing what we are allowed to spend for defense, and just last week we added by action on this floor, added to the budget, $285 million for the Guard and Reserve. We will not be able to do that in the future. As a matter of fact, when you bring up item after item not under this particular budget authority, the Congress always wants to add, just as it did last week, and we cannot do that.

For general congressional add-ons, in addition to what had been requested by the administration, in 1985 the House added $1.25 billion to defense, and in 1986, $1.2 billion was added just last year. So it has been the history that we have adds instead of reductions. So I am telling the Members that if you have got a pet project in your district, forget it; there will not be any add-ons. If you are interested in acquiring or extending the production lines for the B-1, forget that; that is not in the budget. No add-ons. If you are interested in any new programs that are not presently in here such as the T-46 trainer, forget it. We cannot do that. It is not in here.

So while we have the authority, and can cut the budget, cut the spending year, I think the Members need to know the impact of what we are doing here today. I think it is an unrealistic cut that the Defense Department is asked to take.

□ 1650

I think if the sequester is triggered, to take 50 percent of all of the savings out of 29 percent of the budget is unrealistic and unfair, and for this reason I will support an amendment that will restore at least part of the budget authority. I think what we are doing here today, while laudable in its intent and purpose, goes too far.

Mr. GRAY of Pennsylvania. Mr. Chairman, I yield 4 minutes to a senior member of the committee, the distinguished gentleman from Washington [Mr. LOWRY].

Mr. LOWRY of Washington. Mr. Chairman, I do not want to go over a lot of ground that a lot of other Members have mentioned, but I would like to mention one thing. Having spent hours with the gentleman from Pennsylvania, BILL GRAY, on this budget, he just did an absolutely magnanimous job of bringing together a balance that this House can support. So I do want to copy what a lot of other people are saying on that.

Mr. Chairman, I would like to make a couple of points. The deficit number under the House budget proposal that will be before us tomorrow is $137 billion. Now that is $7 billion below the deficit number of the other body's budget, and that is also exactly the amount of money in revenues we assume above those of the President, $7 billion. The simple fact is, in the House Budget Committee, we met the deficit reduction target of $144 billion of Gramm-Rudman without revenue. And then we just simply go $7 billion further to 137, what I think is a superior approach.

One reason that it is a superior approach is that it is I think perhaps a necessary buffer against sequestration, which would be a disaster in this Government to military preparedness—I think we all understand what the problem would be with sequestration for military preparedness—and to education and investment programs on the domestic side, because of where the cuts are forced to come under sequestration.

I think the other body's number could prove, if we have some new economic assumptions, to be dangerously, dangerously close to bringing in sequestration. So I think that the wisdom of the House budget before us tomorrow, which is "Hit the Gramm-Rudman deficit target of 144 all through budget cuts," which we did, balance defense and domestic, and then take the additional $7 billion of Senate revenue and apply that to deficit, is wise both for deficit reduction and wise as a buffer against sequestration that is going to prove to be very smart next year.

Second, something that I do not know if anybody mentioned earlier, we have some very important language against something that the Defense Department has been doing in inflation for the last 5 years that the taxpayers of this country ought to be outraged about. I am talking about the GAO report that recently came out that shows $44 billion has been overspent in inflation since 1982, more than inflation really was given to the Pentagon, which the Secretary of Defense cannot tell us where it is—$44 billion.

Now how did that happen? Well, it is the inflation index that was used up to this year.

How did this happen? Well, Defense had an inflation index different from everybody else's. What was it? After taking their own commodity and saying only within defense contractors what will inflation be, they then magically got another 30-percent kicker. So if the inflation was estimated to be 4 percent within the defense industries, they got another 30 percent above that, 5.2 percent. Yet inflation was not that, and they got that money—$44 billion over 4 years. The taxpayers of this country ought to demand that we get that money back.

Our budget that will be before us tomorrow puts in language strongly directing statutorily that the inflation index within Defense will no longer have that 30-percent kicker.

Mr. GOODLING. Mr. Chairman, I yield 5½ minutes to the gentleman from Oregon [Mr. DENNY SMITH].

Mr. DENNY SMITH. Mr. Chairman, I want to take a moment to congratulate the chairman of the committee, the gentleman from Pennsylvania [Mr. GRAY]. I think that he has done a masterful job of moving this document through the Committee on the Budget. I must point out, however, that we had two meetings in order to get to this juncture of bringing this Democrat budget to the House floor: the first when we had our picture taken, and the second one last Thursday, when we passed the document out in a very rapid period of time.

I think it is important that we all understand how unbipartisan this document really is.

Mr. Chairman, I do rise in strong opposition to the Democrat committee plan before us today, and I want to urge my colleagues on both sides of the aisle to support the alternative Republican plan.

The committee budget before us today is irresponsible for a number of reasons, but let me touch on two very important reasons why this is so: If you vote for the committee budget, you will be voting to raise taxes on the American working people. I repeat, you will be voting to increase taxes on the American people. The Democrats' budget plan contains a walloping $54 billion tax increase over the next 3 years.

Second, the $282 billion defense budget proposed in the Democrat committee budget is well below a defense budget freeze, a freeze that I think would be acceptable to most Members of this body. If the defense budget is to take such a cut, it would only be fair and reasonable, in the interest of cutting the deficit, to ensure that the rest of the budget received steep cuts as well. The committee's budget plan is inconsistent with an evenhanded, across-the-board treatment of the entire budget, and for this reason, should not be supported.

You know, during the committee meeting last Thursday, our No. 2 meeting, one of the statements that I thought was very important was that this is a political document, this is a policy statement of what our party stands for and what the Democrat Party stands for. I think that nothing is clearer, and there should be no mistake made about it. The committee budget before us calls for almost $12 billion in new taxes for the working people of America in 1987 alone.

You have also heard today that $5 billion of the Democrats' tax increase will be dedicated to a so-called trust fund—call it slush fund or trust fund—to reduce the deficit.

Is there any Member here who seriously believes that this slush fund to reduce the deficit will actually reduce the deficit by a single penny? This tax increase is a Ponzi scheme that would impress the likes of even Harry Houdini.

The Democrat Party is undergoing a conversion, and that conversion is quite evident in this budget.

It no longer wants to be perceived as the party of "tax, tax, spend, spend."

Now it is the party of "tax, tax, launder, launder, and then spend, spend."

This plan is concrete evidence that the Democrat Party wants to continue

raising taxes on the American people, only now it is too gun shy to come right out and say so.

Let this laundering scheme fool no one. If you vote for the committee budget, you are voting for a tax increase.

For my friends on the Democrat side of the aisle, I wonder how many are willing to support a defense budget $10 billion lower than this year's spending level.

The Armed Services Committee will go to markup next week. How many of my Democrat colleagues are ready to make the tough decisions that will have to be made in the defense budget at a $282 billion spending level?

How many important defense projects are going to have to suffer at this spending level because the committee cannot bring itself to cancel out worthless or ill-conceived projects?

How many military bases in their districts are my Democrat colleagues willing to close to reach $282 billion?

How badly will our Armed Forces' readiness suffer because the House will not bring itself to halt assembly lines for weapons with production rates that are ridiculously low?

How many defense contracts are my colleagues ready to truly compete in order to reach the $282 million level?

How many duplicative and just plain silly research and development contracts is the House willing to cancel to meet the $282 billion level?

□ 1700

The Democrat plan before us today is $10 billion below a freeze on defense. I am hard pressed to find many knowledgeable Members who are comfortable with such a level.

This is akin to playing chicken with the defense capabilities of our Nation.

Mr. Chairman, the committee budget before us is a huge step in the wrong direction. It is unfair to the American taxpayers who will have to shoulder even greater taxes in the years to come. It is unfair to the defense of this country because of the foolhardy decisions that will be made to cut the readiness and operational tempo of our forces at the defense spending called for.

It is a bad budget. It was ill-conceived and it does not deserve the support of a majority of the Members in this House.

I urge my colleagues to reject the committee budget and vote instead for passage of a more responsible Republican plan.

Mr. GRAY of Pennsylvania. Mr. Chairman, I yield 5 minutes to the gentleman from Georgia [Mr. JENKINS], a member of the committee.

Mr. JENKINS. Mr. Chairman, first of all, I want to take this opportunity to express my appreciation to the chairman of the Budget Committee and to the members of the Budget Committee who I feel did an excellent job in trying to address the problems that have been brought to the Congress over the past 4 years.

I happen to agree with our former colleague, Dave Stockman. I believe that many of the problems that we are facing today and will face decades ahead had their origin in 1981 in the tax bill. He calls it a colossal mistake.

I must say that regardless of what our position was at that time, I tend to agree that he was correct. This ordeal we are going through today will be with us year after year because of that terrible mistake.

But that is behind us. We have to look to the future. Gramm-Rudman has now mandated that we reach certain targets. This year it is that the deficit be reduced $144 billion.

Both plans, the Republican plan as well as the Democratic plan, reache that figure.

I commend both sides for doing a good job, a commendable job; but I want to try to eliminate two or three misrepresentations that have been made.

First of all, you would think that the House Budget Committee position on defense is terribly weak—that there is a great deal of difference between these two plans.

Well, let me remind my colleagues of these facts. Over the next 3 years, $848 billion under the House Democratic Budget Committee plan, $848 billion will be spend for defense. Is that weak on defense?

What does the Latta substitute provide? It is $865 billion. There is a big difference of $17 billion that makes the difference between a strong defense and a weak defense, is that it? I cannot believe it and I know my colleagues on this side are really playing around with figures.

We both know that it is less than 2 percent spread over a 3-year period of time.

Now, $848 billion is no small figure for defense; so let us not toy with that too much.

Let us look at revenues. There is $4.9 billion, that is true, which will be raised under the Democratic plan and applied to the deficit.

Now, let me remind you that the President of the United States has to sign into law any tax bill that comes out of this House.

Now, $4.9 billion will not be reconciled if the President of the United States says, as he has in the past, "Yes, I would rather live with deficits from now on and let somebody else deal with it." That is his decision. He can continue to do that and let our children and grandchildren pay for it. Give us a little ease today, but let our children pay for it. Now, that is his decision.

We have blocked off a small amount of $4.9 billion and we say to the President of the United States, "If you want to reduce the deficit by $4.9 billion, you may do so. If not, veto it. We can't override it, we shall not even attempt to override, I'm sure." That is his decision.

We are taking a small niche in an ever growing problem of deficits. I tell you, my colleagues on both sides, the deficit situation has gone beyond partisanship. We have to get together on this problem this year and next year and for the next 4 years to try to bring this under control.

I say in a bipartisan way that over the next 3 or 4 years we need to work together to try to reduce or stabilize the Reagan deficit. The Reagan deficit will be with us for decades to come and we will be wrestling year after year with that deficit. In order to eliminate it, in order to stabilize it, it will take Democrats and Republicans alike.

I urge you on both sides of the aisle to take this small step in the right direction and reverse the curve. That is the very least that this body can do. I urge support for the document from the House Budget Committee.

Mr. GOODLING. Mr. Chairman, I yield 2 minutes to our distinguished minority leader on the Budget Committee, the gentleman from Ohio [Mr. LATTA].

Mr. LATTA. Mr. Chairman, let me say I wish that we could have worked out a bipartisan budget resolution, but we did not. I am going to use my time to talk about just one portion of this budget that perhaps is not as politically attractive as some of the other parts, for some unknown reason; that is function 050, the defense of this country.

I can remember a few years ago when this administration came into power, our defenses were so bad that we were almost down to a rowboat and a slightshot. We had planes that could not fly because we had cannibalized half of them for parts. We had ships that could not go to sea because they did not have adequate manpower to man them. We were in one heck of a shape and everybody knows it; but we have done something since that time.

We were about ready to start up the draft. If you do not believe it, ask somebody in the Armed Services Committee. We could not get adequate people to come into the service of the United States. We reversed that and now they are standing in line to get in and we are getting more qualified individuals; so we have made great strides in defense and I salute the administration and those in this body and in the other body who knew that we had a need and did something about it.

I do not think the defenses of this country, notwithstanding the fact that we have had some tales about high-priced toilet seats and things like that,

that everybody is opposed to, we have made great strides and we have strong defense and we want to maintain it.

But now, what are we about to do in this budget being presented by the Democratic majority? Last year we cut $35 billion from the request of the Commander in Chief. This year, we propose to cut $35 billion more from the request of the Commander in Chief. If I can add, that makes $70 billion—$70 billion in reductions in 2 years.

Now, I am amazed that the chairman of the Armed Services Committee and the Armed Services Committee on the Democratic side remain strangely silent.

Yesterday we were held up in the Rules Committee for half an hour while the chairman of the Armed Services Committee was closeted with the leadership on the Democratic side on the question as to whether or not they could support that figure that is in the Democrat budget. You know and I know that they do not support it. We do not support it in the Armed Services Committee on this side because these people on those committees know where the cuts are going to come from.

How were these cuts arrived at in the Budget Committee? How was this budget put together on defense? Did they bring in people and say, "We want to get down to these numbers. Where are the cuts going to come from?

No, they did not do that. They just picked out a figure that they needed and said this is where we are going to be.

Now, is that responsibility? No, that is total irresponsibility, playing with the defenses of this country.

I would be more concerned that I am if I did not know that we had a conference coming up and that the majority leader of the Senate and the head of the Budget Committee in the Senate said that there is going to be no conference if they do not come up on those figures. That does give me a little solace.

Well, let us get into what we are talking about in the reductions in this proposal.

I might say, this has just come over after being signed off at the White House. Now, here is what you are talking about in reductions. You are getting into the meat and muscle of the Armed Forces of this country and I do not think the American people want that; so that we can have on the Democratic side, keeping all the programs that we have in place. They are not terminating a single program in this budget. You know it and I know it, and we have got thousands of them. They have got a lot of them that are absolutely worthless.

We used to talk around this place about sunsetting. Remember that, sunsetting some programs? They are not even sunsetting any programs in this budget. They are asking this House to go on record in support of it. Even on the Democratic side, you know the defense of the country protects you as well as me.

So let us get into them. What are we talking about?

The total of $35 billion is what we are talking about to start with. Some may believe we can achieve the reductions with modest changes in pricing. For example, we are recognizing the lower price of oil. Right. That is worth $2 billion. That is $2 billion, hardly enough to meet the Senate budget resolution requirement of $19 billion in cuts.

Now, these reductions in defense spending will seriously harm the Nation's military capabilities. We may have to consider canceling some programs, and I have a list of them. Let us look at them.

In the Army, the Trailblazer, $47 million.

Field artillery ammunition support vehicle, $68 million.

The M-9 armored combat earthmover, $30 million.

The Aquila, $141 million.

Army Helicopter Improvement Program, $247 million.

The LHX, new light helicopter, $155 million.

The 120 millimeter mortar/ammunition, $78 million.

The Sincgars (Army radio system), $212 million.

All source analysis system, $116 million.

What are we talking about in the Army, just in this first hit list? We are only talking about $1 billion 94 million. We have not even started on that road to $19 billion.

The Navy, the SH2F (Lamps Mark I helicopter), $53 million.

The AV-8B (Marine attack aircraft), $792 million.

The A-6E/F (Navy attack aircraft), $358 million.

The V-22-Osprey (tilt-rotor aircraft), $387 million.

The P-3C (antisubmarine patrol aircraft), $414 million.

They come up with $2 billion more. We are not on the road yet coming up with that $19 billion.

The Air Force, the ALQ-131 (electronic countermeasures aircraft pod), $114 million.

The C17 (new Air Force transport), $789 million.

The Jstars (new surveillance aircraft), $126 million.

The Lantirn targeting pod, $128 million.

The JTIDS class II terminals, $212 million.

The precision locating strike system, $142 milion.

The air defense competition (F-20), $447 million.

The TR-1 (reconnaissance aircraft), $63 million.

That all adds up to $2.21 billion.

The ones I have given you here on this hit list are only $5 billion, so we have got to go further.

On procurement, the Chaparral, $103.7 million.

The all source analysis systems (Tiara), $115.5 million.

The SH-60F (CV-ASW), $138.8 million.

The advanced lightweight torpedo, $109.9 million.

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The AOE, $612 million. The SSN-21 advance procurement, $454 million, and the remaining 24 procurement new starts, $750 million.

R&D, cancel 53 R&D new starts such as the national aerospace plane and the naval air ship.

These add up to $3 billion, only $3 billion, and we have to come up with $19 billion in cuts. Where are they going to come from? Let us go on.

List C: The Bradley fighting vehicle, 270 of them cost $325 million. We are going to have to reduce the production by that amount.

The Tagos, two of them, $148 million. We have to delay the award until fiscal year 1988.

The MSH, four of them, $196 million, slips program 1 year.

The DDG-51, one, $800 million. We have to reduce the procurement.

On the F-15, we will have to reduce the procurement by $235 million, or six aircraft.

On the F-16, we have to reduce by 36 to reach $574 million.

The F/A-18 we reduce by 36 for a total of $780 million.

The M-1 tank we would reduce by 120 tanks to reach $250 million.

The EA-6B we would reduce by six for $120 million.

The UH-60 helicopter we would reduce by eight for $70 million.

The F-14A we would reduce by eight, $180 million.

We would delay for 1 year the small ICBM to get $750 million.

We would defer 25 kits of the KC-135 reengining for $413 million.

The CG-47 Aegis cruiser, $995 million. We would produce it later.

The military construction we would defer by $1,250 million.

How much money would we come up with? We would come up with $7,598 million in reductions.

My friends, I could go on to reach the $19 billion the Pentagon says would have to be done, but I am going to put it in the RECORD so my colleagues can read it all and become familiar with it by tomorrow.

The full list follows:

TERMINATE PROGRAMS?

[Dollars in millions and fiscal year]

LIST A

	1987
Army:	
Trailblazer	$47
Field artillery ammunition support vehicle	68
M9 armored combat earthmover	30
Aquila	141
Army helicopter improvement program	247
LHX (new light helicopter)	155
120mm mortar/ammunition	78
SINCGARS (Army radio system)	212
All source analysis system	116
Total	1,094
Navy:	
SH2F (Lamps Mark I helicopter)	53
AV-8B (Marine attack aircraft)	792
A-6E/F (Navy attack aircraft)	358
V-22-Osprey (Tile-rotor aircraft)	387
P-3C (Anti-submarine patrol aircraft)	414
Total	2,004
Air Force:	
ALQ-131 (electronic countermeasures aircraft pod)	114
C17 (New Air Force transport)	789
JSTARS (new surveillance aircraft)	126
LANTIRN targeting pod	128
JTIDS Class II terminals	212
Precision locating strike system	142
Air Defense competition (F-20)	447
TR-1 (Reconnaissance aircraft)	63
Total	2,021
Grand total	5,119

DELAY ALL FISCAL YEAR 1987 NEW STARTS?

[Dollars in millions]

LIST B

Procurement:	
Chaparral	$103.7
All source analysis systems (TIARA)	115.5
SH-60F (CV-ASW)	138.8
Advanced lightweight torpedo	109.9
AOE	612.7
SSN-21 advance procurement	454.3
Remaining 24 procurement new starts	750.0
R&D: Cancel 53 R&D new starts such as the National Aerospace plane and the Naval Air ship	750.0
Total	3,034.9

FISCAL YEAR 1987 PROGRAM REDUCTIONS (STRETCHOUTS)?

LIST C

[Dollars in millions]

Item	Action	Quantity	Amount
Bradley fighting vehicle	Reduce production	270	$325
TAGOS	Delay award to fiscal year 1988.	2	148
MSH	Slips program 1 year	4	196
DDG-51	Procure two ships	1	800
SSN 688	Reduce procurement	1	512
F-15	Reduce production	6	235
F-16	do	36	574
F/A-18	do	36	780
M-1 tank	do	120	250
EA-6B	do	6	120
UH-60 helicopter	do	8	70
F-14A	Reduce rate	8	180
Small ICBM	Delay 1 year		750
KC-135 reengining	Defer 25 kits		413

FISCAL YEAR 1987 PROGRAM REDUCTIONS (STRETCHOUTS)?—Continued

[Dollars in millions]

Item	Action	Quantity	Amount
CG-47 AEGIS Cruiser	Production at 1 per year	1	995
Military construction	Deferral of military construction projects.		1,250
Total			7,598

REDUCE FORCE STRUCTURE?

[Dollars in millions and fiscal year]

LIST D

	1987
Army:	
Eliminate 6th Division/retain Alaskan brigade	$594
Navy:	
Deactivate all SSN-594's	390
Cancel 14th Active Air Wing	92
Air	
Deactivate 1 F4-E wing	250
Total	1,326

READINESS AND SUSTAINABILITY REDUCTIONS?

[Dollars in millions and fiscal year]

LIST E

	1987
Eliminate military strength increase of 13,730	$371
Reduce depot maintenance 15 percent	1,110
Permit six-ship overhaul backlog	600
End Sparrow missile procurement	345
End GBU-15 procurement (bomb)	139
End Gator procurement	237
Hold combined effects munition procurement at fiscal year 1986 dollar level	167
End laser Maverick procurement	202
Hold vertical launch system to fiscal year 1986 level	34
Procure only one fleet hospital	78
Defer investment in ammunition mobilization facilities	130
Hold light weight multipurpose ammunition to 1986 levels	200
Reduce aircraft spares and combat vehicle spares	560
Reduce Army, Navy and Air Force aircraft modifications	565
Hold missiles to 1986 levels:	
I²R Maverick	210
Harm (High speed anti-radiation missile)	135
Tomahawk	44
Patriot (Cancels multi-year procurement)	110
Reduce real property maintenance to fiscal year 1986 level	592
Total	5,829

MILITARY PERSONNEL AND QUALITY OF LIFE REDUCTIONS?

[Dollars in millions]

LIST F

Pay and benefits	$1,500
Family housing	250
Total	1,750

As I said earlier, I do not think we are going to be that irresponsible in conference. We are going to have to come up with a figure higher than this. We are not ready to put our defense system out to pasture. We are not going to take those backward strides. We are going to do the responsible thing in conference.

There are not very many times that I say thank God for the Senate, but this is one time I do.

The CHAIRMAN. The Chair would state that the gentleman from Pennsylvania [Mr. GRAY] has 20 minutes remaining and the gentleman from Pennsylvania [Mr. GOODLING] has 18 minutes remaining.

Mr. GRAY of Pennsylvania. Mr. Chairman, I yield 3½ minutes to the gentleman from California [Mr. WAXMAN].

Mr. LUNDINE. Mr. Chairman, will the gentleman yield?

Mr. WAXMAN. I am pleased to yield to my colleague, the gentleman from New York.

Mr. LUNDINE. I thank the gentleman for yielding.

Mr. Chairman, I rise in support of the resolution.

Mr. Chairman, America's competitiveness is being severely tested in the international marketplace. We are all very familiar with the grim statistics indicating the magnitude of the challenges we face in manufacturing, engineering, technology, innovation, and international trade.

From 1981 to 1985, the United States has an accumulated merchandise trade deficit of $423.6 billion.

By the end of 1985, we were buying almost twice as many goods and services from abroad as we were able to sell.

During the last decade, the United States has lost world market shares in nearly all industrial sectors of our economy including 7 out of 10 in high technology industries.

Two million American workers lost their jobs last year alone due to the imbalance of imports over exports.

Mr. Chairman, there are two basic reasons that we find ourselves in this precarious position. First, the dollar appreciated by more than 40 percent against the major international currencies from 1981 to 1985. While it has come down by 20 percent, it is still very difficult for U.S. firms to compete. The 20-percent overvaluation still gives an unfair advantage to foreign products in this country. The magnitude of the Federal budget deficit is keeping real interest rates at historic highs, thus attracting foreign capital to finance the Federal debt. The large flow of capital into the United States is keeping the value of the dollar abnormally inflated and certainly out of balance with other major currencies.

Second, unfair foreign trade practices and the lack of a coherent U.S. trade strategy make it an uphill battle for U.S. industry in the world marketplace.

In addressing these problems, it is the responsibility of the Federal Government to improve the national environment so that economic development and growth can occur at the local level. First, the United States must reduce the Federal budget deficit and reduce and stabilize the artificially inflated value of the dollar.

Second, Government and industry must act quickly to put in place an effective, forward-looking trade strategy for America.

Mr. Chairman, for the first time in quite some time, I feel optimistic that Congress will take long-needed action to address these problems. The Senate already has adopted a budget for fiscal year 1987 that meets the deficit reduction targets set by Gramm-Rudman and this week, we in the House of Representatives have the opportunity to support a budget which will move us another step closer to meaningful deficit reduction and improved economic health.

Last year, I supported the Gramm-Rudman Emergency Deficit Control Act because I believed it would force the President and Congress to put an end to the fiscal irresponsibility of the last 5 years, in which we have borrowed an extra trillion dollars in order to pay for current defense and domestic programs. I was convinced that the threat of automatic cuts, one-half from defense and one-half from nondefense programs, would force the Federal Government to make the difficult decisions to reduce the deficit.

In this regard, I believe that Gramm-Rudman is having the intended effect. Whether or not the sequestration process is ruled unconstitutional, the House and Senate are closer to agreeing on a budget for the next fiscal year than they have been in quite some time. If we continue on this path and work in a bipartisan way to live up to the assumptions in the budget, we will prevent another round of cuts under Gramm-Rudman.

Mr. Chairman, in judging the various budget proposals before us today, I believe that we should be careful not to exaggerate the differences and hurt our ability to reach an agreement. The House and Senate are very close to agreeing on budget priorities for the next fiscal year. In addition, I commend Mr. LATTA and House Republicans for proposing a responsible substitute. Frankly, there are provisions of their substitute that I prefer over the Budget Committee proposal. However, overall, I believe the House Budget Committee proposal is the best, the fairest, and one that most closely reflects my own priorities.

First, the Budget Committee proposal meets the deficit target of $144 billion set by Gramm-Rudman for the next fiscal year and puts us on a path toward a balanced budget. This proposal would result in a deficit of $137.05 billion in fiscal year 1987, more than $22 billion less than that proposed by the President. The resolution reaches this deficit target through deficit reductions totaling $37.45 billion in fiscal year 1987 that would be achieved by cuts in both defense and domestic spending, new or increased user fees, sales of selected Federal assets, and increases in revenues.

Second, I agree with the spending priorities reflected in the proposal. It continues those programs that have been slated for termination by the President time and time again. These programs, including urban development action grants, community development block grants, the Rental Housing Program, the Appalachian Regional Commission, and the Economic Development Administration would be reduced by 10 percent in fiscal year 1987 under the House plan. These programs have brought private sector investment and thouands of new jobs into economically distressed areas around the country, including the southern tier of New York and I strongly support their retention in the budget.

The proposal recognizes the need to support programs which help provide economic opportunity for all Americans. While most domestic discretionary programs would be cut by 2.5 percent below the fiscal year 1986 level, certain high priority programs would be compensated for inflation and others would receive slight increases above inflation. Programs allowed to grow with inflation include job training programs, needs-based student financial assistance, Older Americans Act programs, food stamps, subsidized housing, aid to families with dependent children, and supplemental security income. Programs that would be increased above inflation include child nutrition, Head Start, maternal and child health, the Job Corps, summer youth employment, and handicapped education.

In my view, by exempting successful Federal programs for low-income children and families from budget cuts, the House recognizes the long-term savings that result from the development of strong, healthy children and youth into self-sufficient productive citizens. This support is more important than ever in light of the staggering statistics on children living in poverty in this Nation.

The House Budget Committee preserves cost-of-living adjustments for all of our Nation's retirees. In addition, it assumes savings in the Medicare Program by limiting payments to certain medical providers and without any reduction in benefits or increases in out-of-pocket payments for Medicare beneficiaries. The measure also provides that $1 billion over 3 years will be used to help limit next year's increase in the hospital deductible.

Finally, the House Budget Committee recognizes that increasing the defense budget does not necessarily enhance national security. It rejects the President's proposal to increase defense spending by 12 percent and instead provides a slight decrease in budget authority in fiscal year 1987 with increases for inflation thereafter. In my opinion, the President's request is unjustifiable. We can provide for a strong national defense with this level of support.

While I fully support the spending decisions of the House Budget Committee, I do not agree with their decision to include $4.7 billion in revenues beyond those requested by the President. Even though the Senate budget resolution includes the same revenue assumption as the House Budget Committee, I think it is unrealistic to propose the additional revenues without the support of the President. In addition, I do not think that it is likely that legislation to raise the additional revenues will be adopted and signed into law. Frankly, if such a measure were to reach the House floor without the President's support, I would vote against it.

Despite my reservations about the revenue provisions, I feel that the Budget Committee proposal is the best proposal before us today. It takes an important step toward reducing the budget deficit while preserving the programs that provide for basic economic and social justice for all Americans. It provides for a strong national defense without giving the Pentagon a blank check. For these reasons, I urge support for this resolution and am hopeful that we will be able to reach an agreement with the Senate in the very near future.

Mr. WAXMAN. Mr. Chairman, I rise to urge those who are concerned about the health of the American people to support House Concurrent Resolution 337. While I have some reservations about portions of this budget resolution, I believe that, in the area of health programs, it has much to recommend it.

I would like to thank Chairman GRAY and the other members of the Budget Committee for their cooperation in fashioning the health targets in this resolution. I look forward to continuing to work closely with them as the resolution moves through what will surely be a difficult conference with the Senate.

Let me just take a moment to review what the Budget Committee proposes in the health area that commends itself to my colleagues:

It protects the Medicaid Program for the poor from any cuts.

It contains a modest set of Medicaid expansions targeted at low-income pregnant women and infants, and at low-income elderly and disabled people.

It contains funding to hold 13 States harmless against losses in Federal Medicaid funds that they will otherwise experience as a result of changes made in the 1986 reconciliation bill.

It protects certain high-priority discretionary programs from funding freezes, including maternal and child health, community and migrant health centers, Indian health, family planning, and childhood immunizations.

It allows an increase in funding of $112 million in fiscal year for research to stem the AIDS epidemic and cure the victims of this scourge.

It contains $534 million in new funding for a badly needed children's initiative, including $75 million for the maternal and child health block grant, $25 million for childhood immunizations, and $125 million for the Southern Governors' Association Medicaid infant mortality initiative.

It provides an additional $450 million in fiscal year 1987 for unspecified high priority health programs, which would allow us to allocate additional funds to such priority areas as biomedical research at the National Institutes of Health.

It provides for $250 million to lower the projected increase in the Medicare hospital deductible next year. This is a step in the right direction.

Unfortunately, it also provides for Medicare cuts in fiscal year 1987 of $450 million. I believe these cuts are too deep.

I agree with the Budget Committee that we cannot ask the elderly and disabled to bear any additional cost burdens. But I also believe that we cannot

continue to subject hospitals and physicians to reimbursement freezes without compromising the quality of care available to Medicare beneficiaries.

Already there is some evidence that the new Medicare hospital payment system is leading to premature discharges that jeopardize the well-being of Medicare patients. Continued pressure on Medicare payment rates to achieve short-term savings will only aggravate this problem. There is no question that the Medicare payment systems, and particularly those for physicians, need reform; but while these reforms may result in savings, the savings will not necessarily accrue immediately.

In conclusion, Mr. Chairman, I would like to urge my colleagues to support this resolution. Of the alternatives before us—the Latta substitute, the Dannemeyer substitute, and the Senate-reported bill—it is far and away the best of the lot.

Mr. LATTA. Mr. Chairman, will the gentleman yield?

Mr. WAXMAN. I am pleased to yield to my colleague, the gentleman from Ohio.

Mr. LATTA. I thank the gentleman for yielding.

Mr. Chairman, let me ask the gentleman if he is aware that the Medicare deductible under the Democrat plan would be $540 as opposed to the Republican plan of $492? Is the gentleman aware of that fact?

The CHAIRMAN. The time of the gentleman from California [Mr. WAXMAN] has expired.

Mr. GOODLING. Mr. Chairman, I yield 5 minutes to the distinguished gentleman from Iowa [Mr. TAUKE].

Mr. TAUKE. I thank the gentleman for yielding this time to me.

Mr. Chairman, the budget process is a long and tedious process, at least if it is carried out in the way that it should be. Unfortunately, this year the budget process was not pursued as I believe it should be and the result has been a budget coming out of the Budget Committee that is less than satisfactory.

The case has already been made that the first major complaint against the Budget Committee document is that it raises taxes $7½ billion, and I think that tax increase of unspecified nature is a reason to vote against the Democratic budget.

But there is a far greater reason, in my judgment, why the House Budget Committee document should be rejected. Perhaps in explaining that reason, it is worthwhile for us to take a little look at history.

Last year, for example, when the Budget Committee brought its document to the floor, the chairman of the committee suggested to us that we would reduce the deficit $55 billion. By the time the budget document was scrutinized by CBO, that savings was down to $35 billion.

Then of course, as we moved through the appropriations process, the savings dropped by more than 50 percent and the savings was under $20 billion.

Indeed, this year, on the most current run on what the actual expenditures are in relationship to the budget, we find that we are spending over the budget this year at a $20 billion rate.

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Why is it that we have a document come forward with that kind of disparity? Why did we have that happen last year? For the same reason that it is likely to happen in fiscal year 1987. Because the House Committee on the Budget document, plain and simple, is not honest.

If you look at the budget offered by the House Committee on the Budget, it is worthwhile to note that last year, we had total outlays of $986 billion. This year, total projected outlays of $993 billion, a $7 billion increase, which does not sound too unreasonable.

The only problem is that the Committee on the Budget suggests that there will be a $7 billion increase in defense, a $5 billion increase in Medicare, a $10 billion increase in Social Security, a $5 billion increase in interest, and in case you have been adding that up, that is $27 billion of increases in those 4 programs alone, which means that there is obviously no growth in the other program, plus a $20 billion cut.

Where does that come from? You cannot find it if you look at the narrative that is provided by the Democrats on their budget. It comes out of thin air. There is only one conclusion that can be reached, and that conclusion is this: The policies articulated by the Democrats in their budget are not matched by the numbers.

There are two things that can happen: Either we have lots of hidden budget cuts out there and lots of hidden policy changes that are not reflected in this budget and not admitted to or otherwise, we have, plain and simply, phony numbers.

The authorizing committees, ladies and gentlemen, are going to have a very tough time trying to meet the budget figures given them by the Committee on the Budget and fulfill the policies that the House Committee on the Budget suggests it wants fulfilled. It just cannot happen.

We will have the same kind of problem in fiscal year 1987 that we are experiencing today. The budget savings that are promised will not be there.

By contrast, ladies and gentlemen, the Republican budget that is offered is an honest budget. We have run our numbers through the Congressional Budget Office. The cuts that we are making are matched by policy changes.

As the gentleman from Ohio [Mr. LATTA] pointed out, there are programs that are terminated. We make some tough choices about changing the way some programs are administered, but we are honest and straightforward. The cuts are real; the numbers are real; and a year from now, if we come back and our budget is adopted, we will have the real savings.

The second point that should be made is that the savings or the cuts are better balanced. We protect the domestic programs. We also protect the international and defense interests of the United States.

That is something, that sense of balance, that is not in the Democratic package. So tomorrow I urge my colleagues to support the Republican alternative and reject the offering of the House Committee on the Budget.

Mr. GRAY of Pennsylvania. Mr. Chairman, I yield 3 minutes to the gentleman from Illinois [Mr. DURBIN].

Mr. DURBIN. Mr. Chairman, first I would like to join my colleagues who have saluted not only the chairman of the Committee on the Budget, the gentleman from Pennsylvania [Mr. GRAY], but also my Republican colleagues who serve on that committee.

It is no mean feat to try to craft a budget under the trying circumstances facing this Nation and both sides deserve commendation.

I stand in support of the Democratic budget resolution. I have listened to the debate over the last hour and it seems to focus almost exclusively on the question of defense spending. I find it interesting to hear my colleagues on the other side of the aisle suggest that we have not spent enough money on defense over the years, that we undercut the President's request by $35 billion last year and that the Democratic proposal would undercut him again.

Mr. Chairman, during this same period of time in 5 years, our friends in the Department of Defense not only found ample opportunity to spend the money appropriated, they found an opportunity to create a savings account in the Department of Defense. In fact, the General Accounting Office advises us that over the last 5 years, the Department of Defense amassed some $44.5 billion in excess funds that were not needed, funds that were taken from Congress through the appropriations process, set aside for inflation, and when they were not used, were squirreled away.

Those of us who sit in anguish over the dollars to be spent for important reasons in this country are concerned when one agency of Government can, in fact, declare a dividend and have some $44.5 billion in excess.

Last year during the Department of Defense authorization debate, an amendment was included which I sponsored, asking the Department of Defense to report at least three times each year when they had, in fact, mad money on hand. We have now been advised that the Department of Defense reported on April 24 of this year that it had $2.2 billion in savings from the fiscal year 1986 budget.

It is curious to me that while the Department of Defense was being asked to take cuts of some $36 billion over what the President requested in this year's budget, they were still able to not only take those cuts and end up with $2.2 billion in unspent money.

Now, I would suggest that there are things that could be dedicated for the purposes of spending that money and they might go beyond the Department of Defense. I want to salute the Committee on the Budget because I think they have taken a worthy stand in suggesting that we will withhold $3 billion in next year's budget authority until the Department of Defense submits a report to Congress accounting for all the funds appropriated for defense in fiscal year 1986 in excess of the amounts needed to cover inflation.

Why is it when it comes to the Department of Defense, which we are all very concerned about, and our national security, that we apply accounting and budget procedures that we would not tolerate in any other agency of Government? I do not believe for a minute that the President or anyone on the other side of the aisle wants to excuse or in any way find a reason to accept the expenditures for toilet seats and hammers and the rest of the things we have heard so much about, but yet we tend to gloss over what is a clear misexpenditure when we see this money being set aside.

I salute the Committee on the Budget for their work in this regard and I heartily support their efforts.

Mr. GOODLING. Mr. Chairman, I yield 3 minutes to the distinguished gentleman from Florida [Mr. MACK].

Mr. MACK. Mr. Chairman, I would like to respond to a couple of points that were made earlier. It has to do specifically with the $4.7 billion that is being somehow or other included in the budget resolution but it is not. It is tax increases over and above what the President has suggested that apparently somehow are being fenced in.

One of the reasons that was expressed here today of the need for doing this is that we needed to have some kind of cushion in case the revenues that were projected did not come in to the Federal coffers in 1987. In fact, during the last meeting that we had of the Committee on the Budget, one of the individuals suggested that what we were doing was creating a revenue insurance fund.

The third element was that it was necessary to have this cushion in order to try to keep us from getting into a situation where the automatic sequestering of funds would take place.

I think that on the surface, those are all fairly decent reasons for saying that you want to do something to protect sequestration from taking place.

My point is this: What it really shows up, though, is the priorities that would be established in the two parties. What you have said on the Democratic side is that you would much rather raise revenues through raising taxes to provide a cushion. What those of us on the Republican side say is we would rather reduce spending to provide that cushion.

I think that very clearly that is the choice. That is the philosophical choice between the two parties. You have said it in your document. You have established a cushion and the way you have gone about the establishment of that cushion is to raise taxes.

We, on the other hand, say that the way that that ought to be done is to, in fact, cut spending. But let me tell you the reason that I am a little bit skeptical.

The reason that I am a little bit skeptical is because, again, during this last meeting that we had, it was said that none of these funds would be used for the purpose of increased spending or paying for additional spending. All would go for deficit reduction.

□ 1735

Well, the first amendment that was offered after the budget resolution was explained by the majority party was an amendment to add back in revenue sharing, which would cost $3.3 billion. Now, somehow also this is kind of magically fenced; this budget resolution that we are looking at from the majority side is one that is filled with all kinds of fences. I am not sure if anyone has defined or designed those fences as yet, but on one hand it seems to say that we are going to raise taxes, but yet it cannot be used because it is being fenced; on the other hand, it seems to say that we are going to pay for revenue sharing but somehow or another it is going to be fenced.

I would conclude, Mr. Chairman, by saying this: The choices are pretty clear. The majority party has chosen to establish cushions to meet that target by raising revenues. The minority party has chosen it by reducing spending.

The CHAIRMAN. The time of the gentleman from Florida has expired.

Mr. GRAY of Pennsylvania. Mr. Chairman, I yield an additional 30 seconds to the gentleman from Florida [Mr. MACK].

Mr. MACK. I yield to the gentleman.

Mr. GRAY of Pennsylvania. The gentleman correctly points out that we do say that there is a cushion there; it is a cushion of $2.4 billion before you attach the deficit reduction trust fund.

When looking at the substitute that the gentleman from Florida [Mr. MACK] is talking about, I note that its total deficit is $143.8. Is the cushion the gentleman from Florida is talking about, is that the $200 million? Is that the cushion that he refers to that is in the substitute?

Mr. MACK. I would say yes, the answer to the gentleman's inquiry is that the $200 million, a fairly significant number, $200 million; but secondly, I would remind the gentleman that in the Gramm-Rudman bill that was passed last year, there is also a cushion that is built in there, of $10 billion.

Mr. GRAY of Pennsylvania. Mr. Chairman, I yield 3 minutes to the gentleman from Delaware [Mr. CARPER].

Mr. CARPER. Mr. Chairman, I want to make a note that there has been considerable debate on both sides of the aisle as to the merits or demerits of our respective budget plans. I think it is important to recall, though, that the differences that I think are amongst us today pale by comparison to those differences which I first witnessed 4 years ago and then 3 years ago, and then 2 years ago; and I am happy to say that from my own perspective, I think we seem to be coming together in a consensus on a budget despite some of the differences that still separate us.

I am happy to say that I think for the first time in the 4 years that I have been here I am going to be able to endorse enthusiastically a budget reported out by the House Budget Committee, and for that I am grateful for the committee chairman and the Members of both sides of the aisle on the Committee on the Budget.

I think we need to ask ourselves a couple of key questions. They have been asked and answered already, and I will briefly repeat them:

Do we meet our Gramm-Rudman deficit targets under this budget as reported by the Committee on the Budget? I think we do. I think we exceed those targets.

Are the spending priorities inherent in that budget consistent with those priorities of the American people? Do they represent what the American people would have us do? People in my district in Delaware say we should restrain spending almost everywhere, keep in place a safety net; do not provide a lot of extra money for foreign aid; do not provide for a great deal of extra spending for defense; look after people who really need help; try to provide something in the way of assistance for the elderly, nutrition pro-

grams, and for education. I think this budget does those things.

Another question we should ask is, do we dangerously undermine national security with this budget? I do not think that we do.

Finally, I would ask, do we drastically raise revenues in some way in this budget plan that would somehow undercut our economic growth in this country? We do not. We simply do not.

I have a couple of concerns. One of those very briefly is that I think we have slipped dangerously past our April 15 deadline, and between now and the fourth of July recess, we have our work cut out for us and need to proceed full steam ahead.

I think there is a need for some kind of enforcement mechanism to force us to focus on trying to meet an April 15 deadline for the budget resolution, and I want to pursue that with the Members on both sides of the aisle here.

Last, I would like to ask a question of the Budget Committee chairman: Some serious concerns have been raised regarding the assumptions that back up this budget plan, assumptions for revenues, assumptions for spending, and I would just ask of the chairman: Are the assumptions that are inherent in this plan, are they such that we will indeed meet our deficit reduction targets?

I yield to the chairman of the Budget Committee.

Mr. GRAY of Pennsylvania. It is my belief, Mr. CARPER, that we have adopted very realistic assumptions this year, agreed upon by Chairman DOMENICI and myself, to play on the realistic field of CBO assumptions; and thus, this budget is based upon CBO assumptions as opposed to last year, when the budget of the House, the Senate and the President was based on OMB assumptions, which had a very rosy scenario.

In fact, those in the White House are calling us a little conservative. There are our best guesstimates. We think that we will be within, firmly within Gramm-Rudman targets and thus will not have to go sequestration.

Mr. CARPER. I thank the chairman for his assurances.

Mr. GOODLING. Mr. Chairman, I yield 4 minutes to the gentleman from California [Mr. DANNEMEYER].

Mr. DANNEMEYER. Mr. Chairman, we are debating in the face of a stalemate. There are some in this body who want to reduce defense; some of us who think we are spending too much on social programs; and then some of us in this body think we Americans are undertaxed.

We have been essentially in stalemate since 1981, if we are honest with ourselves, when the political process in America permits a Republican President to be in the White House and this Chamber to be under control of the Democrats as it has been continuously for the last 30 years plus.

I am suggesting an alternative budget this year which I think addresses the real crux of our problem. Namely, we are now paying the price in terms of interest cost on the national debt of a policy of a dollar backed by nothing which we have pursued since 1968.

If we restore backing for our currency and give the people of America honest money, we can reap the benefits of that restoration whether we are a small businessman or a college student or a homeowner or the U.S. Government in a very real way; namely, a significant reduction in interest rates.

That is the alternative that this Member from California will present tomorrow at 10 o'clock; namely, a reduction of the interest cost expense in connection with the budget where in 1987, all other items in the budget will be in accordance with the projections of the Congressional Budget Office; there will be no reductions in social program spending; the President's request for defense after inflation will increase by 3 percent; those in our country who are dependent upon revenue from the Federal Government will receive their COLA's as called for by the CPI, and we will do this without raising taxes.

The rationale is that in fiscal year 1987 we will reduce the interest cost expense by $53.8 billion and in 1988 by some $123.2 billion. In other words, the reductions to achieve the goal that I have just stated will come in a reduction of money that we will pay on interest on the national debt.

Now, how do we do that? We take a policy step that will correct an error in our ways which we assumed some 18 years ago, namely, in 1968 when we severed the link between the dollar and gold. If we have the courage at this time to make the restoration of backing our currency with gold, the U.S. Government can sell its debt at 2 percent rather than the current average of 10 percent.

We have got close to a $2 trillion national debt. We will be there at the end of this fiscal year, September 30, 1986. The average interest expense gross is approximately 10 percent. We will refinance through the medium of this debt coming due, all but about 10 percent of it within the next 4 years.

With a debt issuance by the U.S. Government backed by gold, we can issue that kind of a debt at a market price of 2 percent.

Now you may say, "Well, where is your authority for that?" I have a letter from Mr. Galbraith, former ambassador of this Nation to France, who in April of this year indicated that we could sell such a debt for 2-percent cost, and that is how we achieve the reduction.

□ 1745

Mr. GRAY of Pennsylvania. Mr. Chairman, I yield 3 minutes to the distinguished gentleman from Florida [Mr. FUQUA], the chairman of the Committee on Science and Technology.

Mr. FUQUA. Mr. Chairman, I appreciate my distinguished friend, the chairman of the Committee on the Budget, for yielding this time to me. I want to thank him for the courtesies, the many courtesies extended to our committee over the course of putting this budget resolution together and to say that I am supporting this, particularly in light of the budget constraints that we are faced with. But I also at the same time must express, while expressing praise, also express disappointment in some of the features of the resolution before us.

One of the areas that I particularly want to support is the fact and the hope that we continue to support science in the future so that we can have a strong science program in meeting the Nation's competition.

I think it is important to maintain a strong science base for the future of this Nation.

I hope that that is continued into conference with the other body once this gets there. I also think for the program which is raised by recognizing the uncertainties caused and answering the flexibility in the budget resolution for the replacement of the shuttle accident that we had earlier this year. One area that I think merits some criticism is the increasing tendency of the Committee on the Budget to add and subtract money within functional categories and in report language that is written with specific jurisdiction which is within the authorizing committee. This is very disturbing especially when it flies in the face of programs and policies endorsed by the House year after year and the efforts of programs that they, they make and progress through authorization and appropriation hearings and reports on the legislation. I am concerned about the specific language of the committee written into the Advanced Communications Technology Satellite Program. This is not their ox to gore. It is my strongest concern that it must be reserved for attempts to dismember the aeronautics R&D budget within the function 400. No recommendation of this came from any member of the Committee on Science and Technology, and no one who understands the absolute key to the central functions of these funds that they play in our aeronautical leadership would propose such a step.

Mr. BROWN of California. Mr. Chairman, will the gentleman yield to me?

Mr. FUQUA. I yield to the gentleman from California, Mr. BROWN.

Mr. BROWN of California. I thank the gentleman for yielding to me.

I want to most emphatically concur in the remarks he has made.

The Aeronautics Research Program comes within the jurisdiction of the subcommittee that I have the privilege to chair. I can only feel that the Budget Committee was unaware of the contribution that this research program makes to the United States total economic and superiority, how closely this program follows the recommendation of the Democratic Caucus in terms of the need for a cooperative industrial policy program involving cooperation between the Federal Government and private enterprise.

Mr. Chairman, I will not belabor this point, but I wish to emphasize it.

Mr. FUQUA. I wish again to state that I do support the resolution. I thank the gentleman.

I hope the committee will be more prudent in future years in some of their language.

Mr. BROWN of California. Mr. Chairman, I wish to associate myself with the remarks of Mr. FUQUA, chairman of the Committee on Science and Technology, by drawing my colleagues' attention to an obscure, but nonetheless, highly significant aspect of this budget resolution—signficiant, because it symbolizes what I believe is a failure to provide for the research programs our Nation will need if we are to remain competitive in a world increasingly dependent on technology.

Buried among the assumptions underlying the figures for the transportation function is a 50-percent cut in NASA's Aeronautical Research Program—sometimes referred to as the small "a" in "NASA." Now, this program is a small one—about $350 million was requested by the administration for fiscal year 1987. But over the years our investments in this area have paid off handsomely—both in terms of keeping our military aircraft preeminent in the world, and giving our civil aircraft an edge in the competition for billions of export sales each year. For example, in 1984, the last year for which figures are available, aerospace products, most of which were civil aircraft, contributed a positive $10.3 billion to our otherwise gloomy trade balance, negative $111 billion.

Many of you may remember when the present administration first took office, it became fashionable, for a time, to characterize NASA's aeronautical research as a subsidy to industry—one that could be eliminated. If the work had commercial value, so the argument went, industry would step in and do it.

But our experience in this country is just the opposite. Over the last 25 years or so, we have watched as industry after industry lost out to aggressive, technically innovative firms in other parts of the world. And one of the big reasons has been a failure of our companies to develop and implement cutting edge technology, both in their products and production methods.

Another misconception implicit in those early assertions was that NASA's research benefited only commercial interests. Yet the facts are that aeronautical research results are usually applied equally to military and civil aircraft. For example, research on improving the lifetime of jet engine components addresses a problem common to all types of jet aircraft.

The administration quickly recognized the error of this kind of thinking. A detailed study by the President's Science Advisor concluded that NASA's Aeronautical Research Program was essential both for national security reasons and because it performs a function that industry is unlikely to undertake, given market realities; namely, far-term, high-risk R&D.

Unfortunately, the ghost of these wrongheaded notions found new expression in the resolution before us. One of the assumptions supporting the aggregate for transportation is a cut of 50 percent in what is characterized as NASA commercial R&D.

Not only does this represent a fundamental misunderstanding of the nature and importance of this work for both military and civil aviation; but, if implemented, a cut of this size would make it impossible even to operate the research facilities on which the military depends. I believe such blind slashing would deeply injure our long-term national interests.

Aviation is one of our few remaining winners. And I am convinced this is true in large measure because of the close relationship between Government and industry in developing new technology—a model the Japanese have adapted with much success in a number of industries. To alter that relationship in a significant way would be a grave mistake.

For those interested in industrial policy generally, I would submit NASA's aeronautical research is precisely the kind of activity that is appropriate for the Federal Government because industry can't do it alone. Also, the agency's basic work in such areas as materials, computer techniques and hydrogen fuels will have broad application, well beyond the aviation field. In my view, we should be expanding the Federal role in these kind of research activities, not reducing them.

Mr. GOODLING. Mr. Chairman, I yield 3 minutes to the gentleman from California [Mr. BADHAM].

Mr. BADHAM. Mr. Chairman, I am concerned deeply about the whole thrust of what it is we are doing in this budget bill. There are good things, there are bad things. My area, as one might suspect, would be the area of defense.

The Budget Committee bill as it now stands would cause and demand a $15 billion real defense cut, $15 billion for fiscal year 1987.

Now, we can do that, but I think it ought to be in the hearts and minds of the Members of this body what would occur in order to do that. We could go back to the Carter years when defenses were cut in our country, over that whole decade, as a matter of fact, and we could stretch out programs making for inefficient purchasing, we could piecemeal programs which would take away spares and reduce readiness and have airplanes without engines and tanks without guns, and that sort of thing. We could do it in a calculated way, by saying if we do not have enough money, then we will not have enough people. So we could reduce.

Now, to hit readiness and to hit personnel we are talking about possibly reducing up to 200,000 uniformed personnel; just take them out of uniform and put them somewhere else so we do not have to pay for them. Either that or we can reduce the quality of their equipment, or we can buy fewer systems. But those are the things that are going to have to be done if we are going to reduce outlays by $15 billion in this defense bill.

We owe our people in uniform who defend the people of this country and our way of life, we owe them safety, readiness and good equipment. If we take that away from them, we might as well not have them because they would perish very rapidly in battle.

So I just want the membership to know that, if we load this budget onto the backs of the defense of this Nation, we are going to lose readiness, we are going to lose personnel, we are going to lose good equipment, and we are going to lose research and development.

Take your choice, because that is the hard choice that we are going to have to make.

Mr. Chairman, I yield back the balance of my time.

Mr. GRAY of Pennsylvania. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Florida [Mr. MACKAY], a member of the committee.

Mr. MACKAY. Mr. Chairman, I would first like to join the other members of the committee in expressing my appreciation to Chairman GRAY for the manner in which he has conducted the committee deliberations. I think that my colleague, Mr. CARPER, raised the proper kinds of questions, not detailed matters of partisan concern but big-picture kinds of questions.

Does this budget reflect a set of priorities? If it does, are those priorities consistent with the needs of this country? I think this budget is extraordinarily significant in that it meets and goes below the deficit reduction targets in Gramm-Rudman. I think that is very important and a first-priority effort.

But even more important is the fact that it not only achieves the reduction but it also establishes priorities which point in the direction of the America of the future. I believe that is an America that will be competing in an international economy where the key to success is technological and scientific superiority and the most valuable resource is the educated human mind.

Look at these priorities: We have increased funding for basic research in the National Science Foundation; we have increased it in the Department of Energy and in the basic research pro-

grams in NASA. These are new initiatives; they are important initiatives for the America of the future.

The children's initiatives, infant mortality, child health, Head Start, expansion of compensatory education, these have to do with the America of the future, the question of whether we can be competitive.

Scholarships to attract and retain gifted teachers, significant funding for worker retraining, all modest but all showing concern for the America of the future, all laying the groundwork for a competitive America, one that is revitalized.

Over the past year, the Gramm-Rudman debate has focused attention on the budget process as the point at which Congress exercises the essence of its responsibility, setting priorities, making choices. This resolution meets that responsibility.

Mr. Chairman, I urge its adoption.

Mr. GOODLING. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Virginia [Mr. BATEMAN].

Mr. BATEMAN. I thank the gentleman for yielding.

Mr. Chairman, I rise to just add one more voice to those in the House who have spoken of their concern about whether or not this budget resolution adequately meets the needs and challenges of America's national security.

Our national defense is the premier constitutional obligation of this Congress. I know we all want to meet it. In my judgment, a $285 billion authorization level does not do that. As the gentleman from California has pointed out, that authorization is going to cause us to have to reduce personnel, to reduce research and development, to reduce procurement, to reduce our operation and maintenance accounts, and, in a way that our national security will not be adequately provided for.

Let me in the seconds remaining point out that comments here earlier in the day about the Pentagon squirreling away about $45 billion is, I think, an exceedingly unfair commentary.

If they had taken $45 billion over the last 5 years, attributed to incorrect estimates of inflation, and squandered it all just because they had it, we would indeed have reasons to complain. I think it ill behooves us to complain that we authorized and appropriated money based upon inflation estimates; they were inaccurate, they had the money, they have come back for reprogramming of at least $26 billion of that. I think every now and then it is only fair that we in the Congress, we politicians, give the Department of Defense and its stewardship of our national defense acquisition system some of the credit, at least, that they deserve. We cannot afford a national defense with a $285 billion outlay limitation.

I would hope it would be the will of the Congress to increase that figure.

The CHAIRMAN. The gentleman from Pennsylvania [Mr. GOODLING], has 1 minute remaining and the gentleman from Pennsylvania [Mr. GRAY], the chairman of the committee, has 5 minutes remaining.

Mr. GRAY of Pennsylvania. Mr. Chairman, I yield 2 minutes to a distinguished member of our committee, the gentleman from Massachusetts [Mr. ATKINS].

Mr. ATKINS. Mr. Chairman, 6 months ago this House charted a new course in budget making. The intractability of the deficit convinced a majority of us, including this Member, to vote for a radical new deficit reduction scheme.

Concern over Gramm-Rudman focused on the potential impact of the automatic, across-the-board cuts. If Congress failed to meet the targets, the blade would fall indiscriminately across virtually the whole spectrum of federal activities. In a number of areas, the effects could be disastrous.

In voting for Gramm-Rudman, many of us hoped for a different outcome. We saw it as the only chance to introduce the Pentagon to the concept of budget restraint. And we hoped that the prospect of mindless cuts would focus Congress' attention on the need to set domestic priorities and reduce the deficit responsibly.

The plan adopted by the Budget Committee justifies that hope. It more than meets the deficit targets and holds the line on Pentagon spending. Most important, it proves that Gramm-Rudman need not be hazardous to children's health.

A basic, underlying principle of this budget is that even in times of budget restraint, it is important that we pursue new initiatives on high priority policy issues. I am especially pleased that this budget includes modest increases in cost-effective programs to fight infant mortality.

Over the past half century, the partnership between medical expertise and public funding has produced tremendous national victories in lowering the infant mortality rate.

The steady improvement since the forties has slowed and even reversed in the eighties. The percentage of women receiving either no prenatal care or only last trimester prenatal care has risen. Infant mortality rates in major U.S. cities exceed those in Third World countries.

In this budget, we say it is not enough to prevent further retreat in the fight against infant mortality. We say that protecting the health of babies is a national priority, and national priorities deserve more than a freeze or a freeze plus inflation.

This budget meets the Gramm-Rudman targets without the devastation of the domestic government that many feared. It does so without excessive revenue increases and without sacrificing national security. I would like to congratulate Chairman GRAY on his leadership and urge a strong vote of approval for the committee budget.

Mr. GOODLING. Mr. Chairman, I yield myself the last minute remaining.

I do so merely to say that after 12 years in the House, I am still rather naive. I had hoped for the good of the country we would come up with a real bipartisan effort, as the other body did, whether right or wrong, in the Finance Committee and as they did on the budget resolution.

I have a problem now because I cannot support the budget resolution because the defense figure is too high and their unspecified increases in revenue are unspecified. I cannot support the House committee recommendation because in my estimation the defense figures are too low and they, too, have unspecified revenue coming into the Treasury. I say too low because, as one who is trying to be very moderate and has always been on the defense issue, we started very carefully and we realize if you go below $280 billion and $293 billion, you are talking about cutting personnel. I do not think there are many people in the Congress that truly want to cut personnel; perhaps civilian personnel but certainly not military personnel.

□ 1800

And then the question will come up, whose base gets closed? Your district? My district? Whose production lines stop? Your district or my district? And on and on we will go. And then we will come with those great things called supplementals, I suppose, down the line somewhere.

Mr. Chairman, I hope that before it is all over, we will have a good bipartisan budget resolution so that the public will have more faith and trust in us.

Mr. GRAY of Pennsylvania. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Maryland [Mr. BARNES], a member of the committee.

Mr. BARNES. Mr. Chairman, I thank the committee chairman for yielding this time to me.

Mr. Chairman, I rise in support of the budget resolution.

Our task in the committee this year was particularly difficult and distasteful. The budget process last year was rewritten hastily in what I regard as a grossly irresponsible manner. It created an environment which was detrimental to intelligent decisionmaking. We must never give up in this body the ability to base our judgments on what is good for the country, not on the mathematical formulas and unconstitutional processes of the

Gramm-Rudman law. Hopefully this year is the first year and the last year we will be in this mess.

The Budget Committee had to operate under the shadow of Gramm-Rudman. Under the circumstances, Mr. Chairman, the Budget Committee did a commendable job in meeting the Gramm-Rudman targets. We saved many vital domestic programs, even though some of them were cut by much more than I would have preferred. We provided inflation adjustments and real increases for a number of programs affecting the poor and needy, and the children of America. We provided funds sufficient for a strong national defense. But the basic Federal commitment to improve the quality of life for the American people remains. We did not abolish any programs specifically, and we left the door open for continuation of revenue sharing should Congress choose to reauthorize it, which I very much hope will happen.

With respect to programs affecting Federal employees and retirees, the Budget Committee has rejected the Reagan administration's proposals for cuts and postponements in cost-of-living adjustments and other benefits. The committee assumes that Federal civilian and military retirees will receive full cost of living adjustments in fiscal 1987 which will, according to our current estimates, be approximately 2 percent.

Let me stress, that if inflation exceeds the 2-percent estimate, retirees will receive the full COLA. Full COLA, based upon a 2-percent inflation assumption, applies to the Social Security Program. In the case of the Social Security COLA, the committee assumes that the current law which eliminates the COLA in years in which the CPI does not exceed 3 percent will be waived.

My colleagues will recall that Gramm-Rudman provisions we enacted last year snatched a 3.1-percent COLA away from civilian and military retirees—one which we had promised them—literally days before the checks were to go into the mail. Since 1981, we have repeatedly delayed COLA payments to civilian and military retirees. The COLA they received on January 1, 1985 of 3.5 percent represents the single COLA for this group since April 1983. In good conscience, we simply cannot deny those who have served our country so faithfully and well the 1987 cost-of-living adjustment.

The committee assumes enactment of H.R. 3660, the supplemental retirement program for new Federal hires. Hopefully, we will be able to break the deadlock on that important legislation later this week. Hundreds of thousands of Federal employees are anxiously waiting for the White House to sign off on a plan and remove the burden of making contributions to both Social Security and the retirement program of 14 percent. We hope the White House will finally see the light on this matter and sign off on the agreement.

With respect to the Federal pay raise, last year's pay freeze dropped Federal workers 18.9 percent behind their private sector counter parts in pay and 15.7 percent in terms of total compensation. The Budget Committee recommends a 3-percent raise, effective in January 1987. The raise applies to the military as well. In my view, this is the absolute minimum pay raise that we can responsibly consider. The other body pegs the pay raise to inflation, which is wholly inappropriate. The pay increase, by law, reflects the need to maintain rates of pay that are competitive with the private sector. For that reason, the Post Office and Civil Service Committee recommended an increase of 5 percent this year—although even that was far short of the kind of pay increase the Federal service really has to have.

I fully supported the 5-percent increase, and I regret that Gramm-Rudman targets forced us into a posture that made an increase of that level impossible. The consequences of holding down Federal pay year after year below private rates has already badly damaged the Federal Government's ability to compete for and hold skilled professionals such as engineers. The National Association of Professional Engineers warned us this year that "untrained" and "unqualified" engineers occupy and supervise key engineering positions throughout government. I ask my colleagues to think about that for a moment. The experts are telling us that the people we have hired, as expert engineering staff, to safeguard our weapons systems, our nuclear plants, to implement public health and safety programs, are not qualified to do the job that's required. In light of that kind of evidence, the committee's pay proposal seems very modest indeed.

Members concerned about the Social Security Administration's plan to cut Social Security staff by one-fifth by 1990, will also be pleased to learn that the committee's assumptions preclude the proposal to reduce SSA staff by 3,000 in 1987. The Social Security administration's plans to modernize have yet to be adequately presented to Congress and justified. Based upon what we know so far, allowing Social Security to go forward with its program would likely result in the kind of fiasco that embarassed the Internal Revenue Service last year as that agency tried to implement a similar program.

As my friends and colleagues on the committee have demonstrated, we have developed a balanced package. It certainly does not include everything that I believe should be in it. It does not include things that I fought for in committee and urgently wanted, but it represents a responsible effort to meet real needs and I urge my colleagues to support it.

Mr. GRAY of Pennsylvania. Mr. Chairman, I yield such time as he may consume to the gentleman from Michigan [Mr. SILJANDER].

Mr. SILJANDER. Mr. Chairman, I rise in support of the substitute.

Mr. Chairman, you would think a 49-State electoral landslide would have taught the Democrats something. Yet it seems the Democrats in this House are sure President Mondale will sign this budget. One would think the Democrats would be embarrassed by this tax and spent mentality. Actually, make that tax the people, cut defense, and spend more on social budgets.

The biggest problem facing our country now is one of huge Federal deficits. The Federal Government has not been living within a budget—the kind of budget within most American families live. You and I can't spend more than we get in. But America has been living for too long on borrowed money, and our debts are too high.

The debts our Nation now has will have to be paid by our children and grandchildren unless we can balance the country's budget. I believe you share my feelings when I say we don't want that kind of burden left to our families.

In the last 25 out of 26 years, the U.S. Congress has not met its responsibility in bringing spending under control: It has spent more money than it has collected. The liberals in Congress believe that throwing money at the problem will solve it, that we need more Government in our lives, not less. Fortunately, because the American people were finally heard, the Congress passed a law calling for a balanced budget by 1991. This will not be easy. In order to have a balanced budget we will all feel the pinch.

The only good news out of this whole budget process is that unlike the 1974 Budget Act, the Democrats recognize the need to abide by deficit target limits that will result in a balanced budget by 1991. This is an important step. Unfortunately, the Democrats do this by doing what they do best: Raise taxes, cut defense, and increase social spending.

In fact, the Democrats cut defense so much this year that they are returning to the same levels of defense spending that we suffered under Jimmy Carter. As a percent of GNP, the Democrats reduce the budget authority for defense from 7.5 percent in fiscal year 1985 to 6.2 percent in fiscal year 1987. Under the last year of Jimmy Carter's Presidency defense spending was a near identical 6.1 percent of GNP.

The Democrats, as always, cannot be trusted to keep a deal with the President. Last year they promised him a 3 percent real increase in defense spending this year. They have, of course, broken their pledge. In real terms the Democrats cut defense by nearly 3 percent.

This is an attempt to unilaterally disarm, in the true tradition of the "San Francisco Demo-

crats" without, of course, specifying the cuts. It is the height of irresponsibility. Of course, these same Democrats couldn't bring themselves to impose a nominal freeze on social spending.

Besides cutting from our defense muscle, the Democrats also propose higher taxes. There are those in the U.S. Congress who would like nothing better than to ask the American taxpayer to fork over more money to Uncle Sam. I believe that the American people are already overtaxed. It is Government spending that has created the problem.

There is a great deal of pressure being exerted in Washington to reduce the deficit through a tax increase, rather than by cutting spending. In particular, an oil import fee appears to be gaining support as the price of oil slides downward.

Raising taxes will not cure the deficit, for the deficit is not caused by insufficient taxes, but by excessive spending. In the past 10 years, in fact, Federal tax revenues have almost tripled, despite the 1981 reduction in tax rates. The trouble is that Federal spending has grown even faster than revenues. An oil import tax, however, would be a mistake; it would increase the cost of home heating fuel that the people of Michigan need more than other regions of the country, hamper America's international competitiveness, and raise U.S. unemployment.

Rather than giving consideration to tax gimmicks as a means of reducing the deficit, Congress should be pressing ahead with the only solution to the red ink—cutting Federal spending.

People who advocate an oil import tax claim that since oil prices are falling this would be "a painless tax hike," barely noticed by the consumer. Yet a Congressional Budget Office [CBO] study of this idea concluded that the fee would reduce economic growth nationwide by 0.5 percent (around $20 billion) the 1st year. The result of this: A jump of 100,000 in the unemployed and a half a percent increase in the consumer price index.

The CBO also noted that the fee's impact on the deficit may be suprisingly limited. In calculating the revenues raised by the fee, it is misleading simply to multiply U.S. oil imports by $5 per barrel. The relative increase in the cost of oil caused by the fee would reduce demand for oil, slow economic growth, and spur higher Federal expenditures for mounting unemployment and for indexed entitlements boosted by higher inflation. Thus while an oil import fee would yield new revenues, it also would trigger higher Federal expenditures.

Congress should take its responsibility serious. And just what is that responsibility? It is to protect and defend the people of the United States with an adequate military; it is to reduce the dangerously high levels of Federal spending that threaten our children's future? And it is to reform our tax system by cutting rates and loopholes encouraging growth and job creation, not increasing taxes and putting a drag on the economy that will increase unemployment.

Our goal should be full employment without inflation. I don't see how the Democratic budget comes anywhere near this goal. By not cutting the overall level of Federal spending, the Democrats put pressure on interest rates. By proposing a tax increase, the Democrats risk additional unemployment. This budget is indeed an opportunity lost.

If Congress can get serious about cutting the budget our children will have a lot to look forward to: Lower interest rates will help them be able to buy a home, more jobs will be available, and inflation will be a thing of the past. I know that our constituents share the same dreams that we do. Let's work to see that Congress and every department of the Federal Government takes reductions in spending so we can all enjoy the benefits of a growing and prosperous economy.

Mr. GRAY of Pennsylvania. Mr. Chairman, I yield myself the remainder of my time.

Mr. Chairman, I want to thank the gentleman for his support.

Mr. Chairman, I simply want to say to all of us tomorrow we will have the vote on the various amendments, the various substitutes and, hopefully, tomorrow at the end of the day we will have a budget for the House of Representatives so that we can go to conference and produce a budget for the United States of America. That is the important thing.

I do believe that the House committee bipartisantly has produced the best solution, the best alternative, of all.

Mr. BIAGGI. Mr. Chairman, I rise in support of the House budget resolution for fiscal year 1987. I believe it meets every important test a budget resolution for this year should meet. It is fair, it is balanced, it is responsible, and it is a more than legitimate alternative to reducing the budget than Gramm-Rudman would ever be.

I will state at this juncture my views about Gramm-Rudman. I voted against it. I authorized the first bill introduced in the second session of the 99th Congress to repeal it. I authored the only bill in Congress to delay its first round of cuts until after the Supreme Court rules on its constitutionality.

Notwithstanding that position, which is shared by a number of others in the House and Senate, the basic fact of life is simply this: Gramm-Rudman is the law of the land today. It says very clearly that the deficit must be reduced by an amount each year in order to be eliminated entirely by the year 1991. To comply with Gramm-Rudman for fiscal year 1987, the deficit must be reduced to $144 billion.

Gramm-Rudman also says that should Congress fail to adopt a budget resolution which lowers the deficit to this target, a second round of automatic cuts, or the infamous sequestration process, would take hold on October 1. The first round of cuts took effect on March 1. They produced across-the-board cuts of 4.3 percent for nondefense programs and 4.9 percent for defense programs in order to achieve $11.7 billion in savings. The projections needed to achieve the $144 billion level would be determined later this year when the so-called final" snapshot" is taken by the Congressional Budget Office and the Office of Management and Budget. That amount would then determine the percentage of cuts needed in Gramm-Rudman Round II. It is fairly certain that the level could be at least three times greater than those needed for this fiscal year. Some indications point to a cut as high as 18–20 percent—this reduction on top of the 4.3-percent cuts already imposed.

It is true that the Supreme Court could agree with the lower court and determine that this automatic cut process is in fact unconstitutional. If they did so, this would simply mean that the cuts to take effect would have to be voted in by Congress. Picture scenario 1. We are at October 1, we do not have a budget, and Gramm-Rudman Round II kicks in. Scenario 2—Congress is at October 1, we have no budget, and we must reach the deficit reduction figure of $144 billion. We can only do it with across-the-board cuts—not imposed automatically, but voted on by Congress.

Let me state that, to me, neither of those are viable alternatives and we must avoid them ever becoming a reality. Enactment of this budget resolution will take us a long way toward averting such a catastrophe.

The Senate has adopted its budget resolution. In my judgement, considering what could have evolved , it turned out to be a solid foundation upon which to build a budget. It does not presume such absurdities as massive across-the-board spending cuts for key social programs. Nor does it presume that defense is entitled to the 12-percent above inflation increase as proposed in the President's fiscal year 1987 0 budget proposal. Instead, it recognized the inherent fairness of a basic budget freeze and the need for the kind of flexibility that will permit new revenues to be raised.

The House budget resolution substantially improves upon the Senate budget resolution. However, since the basic framework has some similarities, there is real hope for an expeditious conference and final action on the resolution. The one framework that both these resolutions embody is that Gramm-Rudman-Hollings and sequestration should not rule our budget policies for the coming fiscal year.

As has been noted, not only have we produced an improved budget over that of the Senate—we have also achieved a lower-than-required budget deficit. The House budget would produce a deficit of $137 billion, a full $7 billion below the Gramm-Rudman target. In fact, should the House budget be adopted in each of the next 3 fiscal years, it would lower the deficit by more than $16 billion under what Gramm-Rudman would require.

How does this happen? It is accomplished through a package of domestic and defense spending cuts. These are cuts not of 15–20 percent across the board, but more in the order of 2.5 percent below fiscal year 1986 appropriations as adjusted by Gramm-Rudman. It is accomplished by revenue increases of close to $11 billion. The significant feature in the House budget resolution is its provision that says revenues that exceed those requested by the President in this fiscal year 1987 budget shall be earmarked solely to produce additional reductions in the deficit.

The House budget resolution achieves its target by setting a realistic level of defense spending. The budget resolution assumes a defense budget of $285 billion, just under the fiscal year 1986 appropriation level of $286.8 billion. Compare this level to the Senate level of $301 billion—a difference of some $14 billion. For those who would suggest that we are

offering a weak defense budget under this resolution, let us point out the fact that even a $285 billion budget would be almost double the fiscal year 1980 figure of $144 billion. Not too many other programs in the budget can point to that type of largess.

The fairness of this budget is seen in many instances. The budget would provide full cost-of-living adjustments for Social Security, Federal pensions, and other indexed programs. It would provide increases to cover inflation for a host of programs which are targeted to our low-income population. These include programs for education, job training, maternal and child health, and certain programs for senior citizens.

As one deeply concerned about programs under function 500, I was pleased to learn that this budget resolution provides an additional $6 billion in funds for this function over what was proposed in the President's budget.

On this one point alone, we see the preferable nature of the existing budget process over a travesty such as Gramm-Rudman. Programs can in fact be measured on their individual merits, or more importantly, by the particular constituency the program serves. It does not use the indiscriminate meat ax approach of Gramm-Rudman to determine policy.

The House budget resolution has different priorities than the Senate proposal and those different priorities I support. One can see it by examining the large picture and by examining some individual programs. In the area of domestic spending, the Senate proposal would reduce domestic spending by more than $3 billion over the House budget. The House budget, on the other hand, would trim foreign aid spending by a similar amount over the Senate. Yet the House budget resolution would assume full funding of a key foreign policy area—Embassy security. The Senate resolution, on the other hand, would stretch out funding.

The House budget resolution includes an important $500 million in fiscal year 1987 for a new education and training initiative as embodied in H.R. 4728.

The House budget assumes important reforms in the Guaranteed Student Loan Programs resulting in savings of $450 million over 3 years. The Senate version assumes $600 million.

One of the major differences in the two proposals rests with the Medicare Program. The House resolution makes it clear that savings provided for must come at the provider level only and not through an increase in out-of-pocket payments of Medicare beneficiaries. To illustrate that point, the resolution assumes a level of funding that would limit to $540 the scheduled increase in the Part A deductible as compared to the $572 as projected by HHS. I have sponsored legislation which would limit that amount to no higher a percentage than the Social Security COLA for 1987. This resolution is an important move forward to avert the kind of severe increase which can only drive more seniors into poverty.

Another critically important distinction between the two proposals comes in the Medicaid Program. Here we find the House budget assuming $400 million more in budget authority in fiscal year 1987 than the Senate budget for Medicaid. What more significant demonstration of priorities than to provide needed additional funds for a program which provides vital services to our poorest of citizens.

Two other distinctions of note. The House budget proposal assumes considerably more funds and provides for an inflation-based increase in subsidized housing programs. This compares to a proposed 25-percent cut in the Senate budget and tremendous cuts in the President's original budget.

The House budget also believes that our Nation's law enforcement needs will require an inflation-based increase in funds not only for this fiscal year but for the outyears as well. The Senate proposal would limit the increases to this year alone.

The real key to supporting this budget resolution is the signal it sends to the American public. It sends the signal that we are serious about deficit reduction and go beyond the requirement of Gramm-Rudman. It shows the American people that we reject the idea that lowering our deficit has to be done only one way—by cutting spending. We show the American people that we continue to be advocates for the concerns of our young, our old, our sick, and our needy. We recognize that cuts of 15–20–25 percent are an abdication of our responsibility. We show to ourselves that Gramm-Rudman underestimated us. We are not prepared to give up our responsibilities on budgeting. We are not prepared to turn over major decisions to unelected bodies.

We are moving forward in a real sense with this budget. It merits our full support and I urge its adoption and for our House conferees to work to preserve the many good features of the resolution in conference with the Senate.

Mr. BROWN of California. Mr. Chairman, this year's budget resolution, while by no means perfect, holds more promise than most budgets of the past several years. The fiscal year 1987 budget resolution reported out of the House Budget Committee promises to reduce the deficit well below the Gramm-Rudman Emergency Deficit Control Act target levels. Yet it promises to do this without undue hardship on already beleaguered domestic programs. And it promises to do this with the same revenues as proposed by the Senate.

The committee reaches its deficit targets through a package of domestic and defense spending cuts, revenue increases, new and increased user fees, and asset sales. In contrast to previous years, when the burden of deficit reduction was largely on the domestic side of the budget, this year's House resolution splits its total spending cuts evenly between defense and domestic programs. This 50/50 split is similar to what would happen under the automatic deficit reduction formula set forth in Gramm-Rudman.

This 50/50 split seems fair in light of the fact that defense spending has more than doubled since 1980, without the added safety and security such spending should entail. It is long past the time that we stop merely throwing money at the Pentagon, and began to truly analyze and formulate our defense policy. We need not—in fact do not—jeopardize our national security. For while the fiscal year 1987 budget authority for defense would decline slightly next year, actual outlays for defense would continue to rise, growing from $269.5 billion in fiscal year 1986 to $276.2 billion in fiscal year 1987. This continued increase reflects our financial obligations in previous years.

The budget resolution also calls for domestic spending cuts totaling $7.65 billion in fiscal year 1987. It also calls for other deficit reductions on the nondefense side of the budget totaling $9.8 billion. These deficit reductions include user fees, asset sales, funds from recovery of oil overcharges, and assumed cost-of-living adjustment savings resulting from lower-than-expected inflation.

For most domestic discretionary programs, the resolution assumes a 2.5-percent cut in budget authority below the post-Gramm-Rudman fiscal year 1985 level. It also assumes additional spending cuts, both through further reductions in certain discretionary programs and through cuts in selected entitlement programs.

The resolution assumes full cost-of-living adjustments for all indexed programs, including Social Security, and Federal pay raises of 3 percent per year. It also assumes increases to fully offset inflation for certain programs, and increases beyond inflation in a few high priority areas such as education, job training, and health.

The Budget Committee has performed the task of formulating this budget resolution with modest increases in revenues. The committee accepted both the proposals set forth by the President as well as the additional revenue measures as outlined by the Senate. But instead of using the Senate-proposed revenues to fuel the budget, the committee proposes to establish a special deficit reduction trust fund. The new revenues would be set aside and used specifically to reduce the deficit.

As I am reminded each year, no budget is perfect. Each and every budget—even one that I might formulate—may be improved upon. In fact, within my own areas of expertise, I can assure you that I will fight—and fight hard—for those programs which I feel deserve a higher priority. I do this, as I am sure my colleagues do likewise, not out of any sense of selfishness, but out of a conviction that these programs are an essential part of our Federal responsibility.

Nonetheless, in reviewing such a comprehensive document such as the Federal budget, each of us must examine it as part of the whole. I have done so, and have come to the conclusion that this budget meets some very important criteria. It reduces Federal spending as equitably as possible, and it more than meets the Gramm-Rudman deficit targets. I commend the members of the Budget Committee, and particularly its chairman, for the diligent—and all too often unrewarding—work they did. This fiscal year 1987 budget resolution deserves not only my support, but the support of my colleagues as well.

Mr. GARCIA. Mr. Chairman, Chairman GRAY and the Budget Committee should be congratulated for the work they have put into evolving a budget resolution that is truly realistic.

Since Gramm-Rudman was enacted there has been a great deal of debate in this body

with respect to what we would cut. I am proud that we had the courage to come up with a workable budget rather than depend on the contested automatic cutting provisions contained in Gramm-Rudman.

I think the committee has shown that not only do we have a strong conviction to cut the deficit; not only do we have the desire to do the job; but we have the strength and courage to stand up and say this is how it will be done. More importantly, we have shown our constituencies nationwide that we are not guided by strictly parochial concerns, we are guided by our dedication to this great country, and to its citizens.

This budget does not meet the statutory deficit ceilings, it comes in below the numbers set as goals for the next 3 years, and makes the necessary cuts in a fair and effective manner. The budget resolution deserves the support of every Member, and Chairman GRAY and the committee deserve our thanks.

Mr. FAZIO. Mr. Chairman, it was not written in the stars that the U.S. Government would run a $200 billion annual deficit in the mid-1980's. As recently as 1979, the deficit was $40 billion. Where did the rest of the red ink come from?

Here are the facts: The Federal budget has shown a deficit almost every year since World War II, but none has been nearly so large as the annual deficits we have faced since 1981. In each of the last 3 years, the Federal deficit has been nearly three times the size of any single deficit prior to 1981.

And the rosy talk of late from the administration is belied by the fact that the deficit is on the rise and not decline.

The amount of debt that we have run up in just the last 5 years is equal to the total national debt that was accumulated under all previous Presidents, from George Washington through Jimmy Carter. In other words, the size of the total Federal debt has more than doubled since President Reagan took office, and it will double again in the next 6 years if we do not take the necessary steps to control it.

The adverse economic consequences of this huge and growing debt are staggering. The trade deficit of $145 billion this past year alone has deprived our area of thousands of jobs in agriculture and the increasingly important high technology industry.

Our growing national debt guarantees much greater future Government spending because of the much higher interest costs we will have to pay every single year. The cost of interest payments on the debt this year will be $146 billion, three times the cost of interest just 6 years ago. That huge amount, almost 15 percent of all the money the Government will spend, won't be used to buy anything—it will go simply to pay interest on the debt. And the annual interest payment will soar to $234 billion by 1990 if deficits are not reduced.

What caused these enormous deficits? According to the Congressional Budget Office or CBO, the nonpartisan budget analysis office headed by respected conservative economist Rudolph Penner, the sudden explosive increase in the size of the deficit over the past 5 years has occurred not because of the growth of social programs, but because of "large and increasing tax reductions, rapid growth in military spending, and escalating interest payments."

CBO figures show that since 1981, legislative actions initiated largely by President Reagan will have cut $333 billion from domestic spending over the 1982-87 period. But these program cuts have been overwhelmed by increases of $175 billion in defense spending, $604 billion in revenue losses because of tax cuts, and $111 billion in added interest costs just on the increased portion of the debt. The net result has been an increase of $557 billion in Federal deficits over the same period.

By far, the biggest contributor to our large current deficits is the tax cut proposed by the President and enacted by Congress in 1981. More than three-fourths of the entire deficit we face next year will come from that tax cut. Had we not cut taxes in 1981, our deficit this year would be about $40 billion instead of near $200 billion.

The greatest benefits of the 1981 tax legislation went to wealthy individuals and to big corporations—which now pay only about 8 percent of total U.S. taxes compared to the 27 percent they paid 30 years ago. In fact, many of the largest corporations paid no taxes at all last year, a luxury that few American families can claim.

All Americans, whether or not they benefited from the 1981 tax cuts, have been saddled with these enormous deficits, with the tripling of annual interest payments on the debt and, inevitably, with the necessity of paying higher taxes simply to pay for the increased payments on the debt.

We cannot allow this situation to continue. Members of the Budget Committee have banded together to right the inequity.

In a nutshell, we had to bring the deficit down to $144 billion and with 55 percent of the budget off limits—entitlements and interest on the debt—we had to reduce spending in the discretionary side of the ledger.

The President, operating under the same fiscal constraints, handled it one way—and I might add, parenthetically, that he failed to meet the $144 billion Gramm-Rudman target by underestimating his defense budget by $15 billion—we handled it another way. Let me give you a few brief examples:

The real wealth of this country is poorly served by the President's budget. It proposes: to do away with the Power Marketing Administration; we reject that. To sell the naval petroleum reserves; we reject that. To stop filling the SPRO; we reject that. To eliminate the Rural Electrification Administration; we reject that. To eliminate the energy conservation grant program; we reject that. To virtually destroy remaining energy research and development; slash conservation research 58 percent, fossil research 76 percent, renewable R&D 50 percent.

We freeze all these programs, and increase basic energy research $50 million. The President's budget proposes to eliminate: National Crop Insurance Programs; $500 million in agricultural conservation programs; $2.8 billion in rural development programs, including rural housing; $1.2 billion in farmer loan programs; $200 million in extension programs, a 57 percent cut; $18.7 million in animal and plant health programs; $2.5 million in agricultural marketing programs; and $50 million in temporary emergency feeding programs.

We largely freeze these programs and eliminate these cuts. And he proposes significant reductions in REA loans and guarantees, animal damage control, Smith-Lever extension service funds, foreign market development, food stamps, nutrition programs, et cetera; elimination of land acquisition programs by the Department of Interior and Forest Service; slashes of $137 million from the forest sale programs, over 10 percent; of $30 million from the State and private forestry programs, over 60 percent; annihilation of anadromous fish grants from $21 to $1.4 million; and $500 million cuts in clean water sewer grant programs, over 20 percent.

And in transportation: While we have gridlocks on our roads, the President proposes to cut highway funding by $2 billion. The President cuts $2 billion out of transit, that's a 67-percent cut. Our constituents complain of being unable to get to work in less than an hour while the President wants to spend $45 million on the Orient Express so that we can get to Tokyo in two. In 1982 we passed a 5-cent tax—that was to go for highways and transit. The President wants to divert those funds. The President stops all Federal funding for Amtrak in a year with an unusually high rate of airplane accidents and cuts back on FAA funding for research, engineering and development at a time when we need to invest funds in technologies like Doppler radar to detect wind shears.

The House Budget Committee doesn't give short shrift to transportation. We made cuts, but they were reasonable. Highways are cut 5 percent, transit 6 percent, we ensure the continuation of Amtrak, and we increase FAA's budget by $200 million so that more air traffic controllers can be hired, we keep research on a steady course and we increase funds for the Airport Improvement Program—all of which will increase the safety of those who fly.

For Federal employees: The average Federal employee has worked for the Federal Government for 13 years, and earns $26,000 per year. The majority of Federal retirees retire at an average age of 61 years (the same as in the private sector) and receive an average annuity of $12,000.

The President must have a skewed view of the Federal work force, for he submitted a budget that would leave one with the impression that he does not value these individuals. Were it the only time that he submitted a proposal that penalized Government workers and retirees, we could understand the need for cutbacks in these times of enormous deficits. But this is not the case. Rather than a one time only proposal, the President has continuously submitted budgets which are balanced on the backs of Federal employees and retirees.

In fiscal year 1986 the President proposed: a 5-percent pay cut; a 4-percent increase in retirement contribution; an increase in the retirement age; and a freeze on retiree COLA's.

Congress overwhelmingly rejected each and every one of these proposals.

For fiscal year 1987, the President, knowing that Gramm-Rudman resulted in a cancellation of COLA's and a cutback in the Federal

work force went on to propose: a 2-percent increase in retirement contribution; a change in annunity calculation from a high 3 years to a high 5; replacement of health insurance with a voucher system; raising the retirement age and penalizing early retirees; freezing the COLA's again, and limiting future COLA's to CPI minus 2 percent; and cutting 36,000 Federal jobs.

The House Budget Committee rejected all these proposals except for the pay raise. The members of this committee understand the fact that since 1981 inflation has increased by 15 percent and Federal retirees and Federal employees have only received 7.5-percent increase in pay and annuities. In other words, while those in the private sector and those receiving Social Security were keeping up with inflation, Federal retirees and employees were losing ground.

I wish we were able to do more, but the deficit precludes that. We did however, by rejecting the President's other proposals on changes in retirement and health insurance, prevent further damage to those who have chosen to pursue a Government career.

The practical reality is we had very hard choices. But we made them—and we made them in a responsible and nonideological way. I've heard complaints all day, but no one has said this budget is "dead on arrival." Let's go to conference and get on with our job of governing.

Mr. GRAY of Pennsylvania. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker pro tempore [Mr. JACOBS] having assumed the chair, Mr. NATCHER, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the concurrent resolution (H. Con. Res. 337) setting forth the congressional budget for the U.S. Government for the fiscal years 1987, 1988, and 1989, had come to no resolution thereon.

THE TOKYO AGREEMENT—A GENUINE ACHIEVEMENT

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

Mr. BEREUTER. Mr. Speaker, I rise to commend the administration, and particularly Secretary Baker, on achievement of the major new agreement to manage the international monetary system announced at the Tokyo Summit. Although all the details are not yet decided, it does appear that this is a real breakthrough in the efforts of the industrialized democracies to achieve international economic coordination. As I understand it, the most important aspect of the new scheme will be regular and frequent assessment of a number of each nation's economic variables—including, among others, inflation, money supply growth, budget deficits, interest rates, unemployment, gross national product, and exchange rates. If any of these fundamentals is out of line, pressure to correct it will come from the other nations.

One administration source has described the new system as a "managed float" which will force member nations to take remedial action when exchange rates get out of line. Hopefully, even in the short run, the mechanism will eliminate the sharp exchange rate fluctuations which have made life so difficult for businessmen in recent years. In the longer term, the plan provides an opportunity for much closer policy coordination among industrialized nations than has previously been possible. Underpinning this is a recognition that the "fundamentals" must be right if direct government intervention in exchange markets is to be successful.

One other aspect of the new arrangement which deserves comment is that instead of the Group of Five, it will now, with the addition of Italy and Canada, be the Group of Seven which seeks to manage currency rates. This is an important, albeit preliminary, step down the road to what I consider the essential goal of forming a currency group which includes all the major trading nations. For example, statistics released recently in the Labor Department reveal that, overall, against a basket of currencies, the dollar has dropped 20 percent since March 1985. We are all aware of the dollar's dramatic drop against the yen—more than 35 percent over the past 14 months and smaller but still significant declines against certain major European currencies.

Not so well known is the fact that the currencies of a number of major trading nations have not strengthened much if at all in comparison with the dollar. The most glaring example is Canada, with which we suffered a $22 billion trade deficit last year, and whose currency has actually declined against the dollar over the last year. Against the currencies of Taiwan, Hong Kong, and South Korea, with which our collective trade deficit last year reached $20 billion, the dollar has hardly moved. These countries may continue to style themselves "underdeveloped," but in my opinion they are in the big leagues when it comes to international trading and I believe it is time for them to appropriately realign their currencies. Relatively weak currencies in Canada, Australia, and Argentina have, for example, allowed those nations to make major inroads in United States wheat markets. As a consequence, our projected share of world wheat exports will shrink to 30 percent for the year ending June 30, down from 36 percent the previous year. For American grain farmers, the accomplishments of the 6-5 really haven't helped at all that much.

As I said at the beginning, Mr. Speaker, the Tokyo agreement is a genuine achievement, but we cannot stop with these initial achievements. We need to build on this initiative so that the nations which have achieved large trade surpluses with us by maintaining cheap currencies have this option foreclosed. Given the size of our trade imbalance and the precarious position of many of our farmers, businesses, and industries, we can no longer afford to let these mentioned countries write themselves a voucher for a free ride.

□ 1810

THE JOB CORPS PROGRAM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Kentucky [Mr. PERKINS] is recognized for 30 minutes.

Mr. PERKINS. Mr. Speaker, and distinguished colleagues, I have taken this special order today to talk about a situation that, frankly, concerns me greatly. My distinguished colleague, the gentleman from Pennsylvania [Mr. GOODLING] is joining me today in this special order to discuss the problem of the recent action taken by the Labor Department to close six of our functioning Job Corps Centers across this great country.

Now, what this means with these six centers that are already in place that are providing job slots for Job Corps people is that 2,500 students will be denied an opportunity to participate in the Job Corps Program.

Now, what does the Job Corps Program mean? What has it given us in the past?

Studies that we have had indicate that for every dollar that we have invested in a student with the Job Corps Program, we have gotten $1.46 back. That was a study that was done between 1977 and 1983 by the Mathematica Corp. This has also upheld the studies done by the Urban Institute and the National Research Council, as well as the U.S. Labor Department. We have a program that has a record of proven success.

What is a Job Corps participant? Who does the Job Corps impact? Who does this program help? That is the basic question that a lot of people are going to ask about, because a lot of people do not know what the Job Corps does.

Let me tell my distinguished colleagues, Mr. Speaker, what the Job Corps does and who it impacts.

A typical enrollee is an 18-year-old dropout of a minority classification, with a sixth-grade reading level, who has never been employed full time and

whose family receives public assistance, with an annual income of around $6,000; $6,664 I think is the exact figure we have been able to produce.

For the first half of 1985, 40 percent of the people who entered the Job Corps were in fact people who had arrest records. What we are talking about, basically, is a grouping of people who are looking for a last chance to make something out of themselves and be a benefit to society.

This is what the Job Corps Program does, and it fulfills a function and a need that no other area of government does. It is a last-chance program. Since its inception, it has given us over 2 million taxpaying citizens in this country.

I question seriously in my own mind what would be the result if we had not had the Job Corps Center, in terms of an increase in population in the prisons of our country. It costs a lot of money to keep people in prisons. But these citizens have become taxpaying citizens, and they are in fact helping us to become a productive society.

The Job Corps is the primary mover in these people's lives. It has had a direct effect on these people's lives. So it has been an extremely successful program.

In fact, of the people who take part in the Job Corps Program, we have had a participant success rate of 81.3 percent. Now, that is 66 percent that have been placed in unsubsidized employment, with 15.2 percent who either went on for further education or advanced technical training.

Now, this is a tremendous program. This has a proven success rate. You can search the Federal Government all day long and you are not going to find a program that succeeds, that works like the Job Corps. You have the studies, you have the real-life cases of helping people.

Now, the history of this Job Corps Program: It began as a Great Society Program. In 1969 we had a President who decided to close down about one-third of the centers. Later on, in 1977, President Carter decided to phase up the program to 106 centers, from 81. Presently we have 40,544 slots operating across America.

Recently, in the last year, we had a piece of legislation passed that whether you opposed it or whether you were for it, it has become a reality, and that is Gramm-Rudman. Now, as a result of Gramm-Rudman, there was a 4.3-percent cut across-the-board in a variety of programs that began and has affected every area of government.

The Department of Labor says that because of this cut—their year begins July 1, their program year—they have got to close down, they say, six centers in order to meet the requirements financially that are imposed upon them by Gramm-Rudman. But in fact, this is not true. I am going to get more information tomorrow, at a hearing at 10:30. I am going to ask them specifically about a number of things that are troubling me about their study and about some of the things they are relying upon to make this judgment. But I am very concerned about why, with the budget and the resources they have on hand, they are deciding to cut the Job Corps participants, the actual people who are participating in the program.

Let me tell you why I find the decision rather strange. To begin with, the Job Corps was funded this last year at a level of around $640 million. After the Gramm-Rudman cuts, we had the Job Corps reduced in funding to around $613 million.

The other body has passed legislation that would indicate the Job Corps Centers will be funded for the upcoming year at $676 million. If we pass—which, in all likelihood, is going to occur tomorrow—the Democratic alternative on this floor, I have been informed by a member of the Budget Committee on the Democratic side, Mr. WILLIAMS, that we have in there $694 million for the Job Corps Program.

Remember, the funding starts, and somewhere between $676 million and $694 million is the likelihood that we are going to be funding the program for the upcoming fiscal year. By closing these six centers, they are saving, according to their figures—and there is some haziness in them—between $8.5 million and $17 million for a period of time from July 1 through the upcoming operating year. But, in effect, if we pass either the Senate version or the House version of the budget, then what we are going to have is a program, a Job Corps, that is funded in excess of the amount of money that is necessary to operate these centers. But the centers will be closed down in that 4-month interim period of time.

Well, you might say, "How do they make it during the 4 months that they do not have the increased funding?"

Well, the answer is that, contained in their budget that they have for operating expenses, they have around $30 million in building expenses that they can draw from, they have $12.7 million in pilot programs that they can draw from. They have realistic alternatives that can fund the present Job Corps centers if in fact they desire to do so.

So in my own mind I have a serious question as to the intent of the Department of Labor for not proceeding in a fashion that will allow these centers to remain open.

If in fact we are talking about a real commitment to continuing the Job Corps in its present state and continuing to allow the successful program to operate, it would seem only logical and businesslike that we do not shut down physical plants but rather we allow the cooks to go on cooking, we allow the teachers to go on teaching and we allow the students to go on learning in this interim period of time when the money already exists to keep them operating.

This is the serious question that I would pose to my colleagues and I would pose to the Department of Labor: Why have you decided at this stage, given the funding that is available and given the funding that is forecast, to intentionally go about the process of closing these six centers and, in fact, shutting down a very effective, efficient program and attempting to deny the students the opportunity to become productive citizens?

Mr. Speaker, it is very difficult, when you talk about the Job Corps, to realize, "But if you don't have the program, the students are going to be out there on the streets, they are going to be out there involved in the welfare lines, they are going to be out there doing things that are not productive to the long-term aims of our society."

And how in good conscience we can go about attempting to cut back on this program when the funding is available is totally beyond any understanding that I personally have.

Mr. Speaker, I am sure my distinguished colleague from Pennsylvania has some remarks that he would like to make at this point, so I will yield to my good friend and distinguished colleague, Mr. GOODLING.

Mr. GOODLING. I thank the gentleman for yielding.

Mr. Speaker, I want to thank the gentleman from Kentucky [Mr. PERKINS] for taking this time.

Monday, a week ago, I sent out a "Dear Colleague" letter, and in the "Dear Colleague" I said that I read the most disturbing headlines I think I have ever read over the weekend prior to that Monday, and those headlines basically said, "Job Corps Centers will be closed."

It was disturbing because, as the gentleman from Kentucky has also said, this is the last-chance opportunity for these young people to be taxpayers, not tax-takers.

Last year when the administration made this proposal, I encouraged my colleagues before they got on that bandwagon to please go to these Job Corps centers and see exactly what is happening. Serving on the Education and Labor Committee it is my responsibility to do that, and I have done that regularly.

Basically, my colleagues were told by the Department and the administration and by fellow colleagues that, No. 1, the per pupil cost is entirely too high.

Second, they were told that the dropout rate was entirely too high.

Third, they were told that we have alternative programs to take care of these young people.

All three are totally false, and I will tell you why they are totally false: The young people we are talking about positively must leave their environment if as a matter of fact there is any hope that they are going to succeed—not 2 miles away, 3 miles away or 10 miles away. If you go to a Job Corps center in Kentucky you will probably find a large percentage of those people from New York and Florida.

□ 1825

It is designed so that, as a matter of fact, they are far enough from the environment so that it is not easily accessible to get back into that kind of situation.

Second, they must learn discipline. They do not even know what the word means when they come to a Job Corps center. But I will guarantee that if you go to a Job Corps center, you will understand that they are learning very quickly what discipline is all about, and are, in fact, disciplining each other.

Third, they must be taught the three R's. As was mentioned by the gentleman from Kentucky, I would say a sixth grade reading level in many instances is probably high. It is an average, but for many of them it is a very high figure. So they must be taught those three R's.

Then they must be taught a saleable skill. After they are taught the saleable skill and when they graduate, they must be placed. Now, here is part of the beauty of the program. We hear so much talk about the partnership between the private sector and the Government. Here is an ideal program where you have just that cooperation. The private sector has an awful lot of say about what happens in a Job Corps center. They also have a lot to do with the placement of these young people so that they do become productive citizens.

The per pupil expenditure, too high? In relationship to what? The alternative is a life of crime in many instances. Talk about $45,000 or $50,000 a year to keep someone in prison, and then their families on the welfare system while they are in the prison. That is expensive; that is a per pupil expense that we positively cannot have.

The dropout rate, if you can save 50, 60, 40 percent of these people and make them productive citizens, taxpayers rather than tax takers, then, as a matter of fact, that rate looks mighty, mighty good.

We have alternative programs? No. That is totally false. For these young people we have no alternative programs. There are no alternative programs for youngsters who have been in a life of crime or heading for a life of crime who have a reading skill so low that they cannot get a job and who have no saleable skill. There is no alternative program at the present time.

It is my hope, and I am happy to join with the gentleman from Kentucky. It is my hope that, as a matter of fact, my colleagues insist that this program continue and, if anything, expand because it is far cheaper than any other program we can possibly come up with in dealing with youngsters who should be given that last chance opportunity and who, in so many instances, have taken advantage of it and have become positive, productive citizens.

I thank the gentleman again for taking this special order. It is, in my estimation, one of the most important things facing the country at the present time. I hope the Congress will not back away from this responsibility.

Mr. PERKINS. I thank my dear friend and colleague, the gentleman from Pennsylvania, for his very astute remarks regarding the situation of the Job Corps center. I know that his participation is thorough.

BILL GOODLING and I have been at Job Corps centers together in the past. Let me tell my colleagues some of the things that you see when you go to a Job Corps center.

These are students who are awakened at 6 o'clock in the morning on almost a military-like, disciplined schedule, to get up and attend classes. You see them marching; you see them working. You see them doing things for the community that teach things like good citizenship and responsibility. You say, "What specifics?" Let me must give you an example of a Job Corps center that we are talking about closing because of this operation.

In Frenchburg, KY, in the last year, 1985, we saw the Frenchburg Job Corps Center employees or the paritcipants actually go out and perform over 670,000 dollars' worth of community work. Fighting fires, fighting fires across the mountains, not just in Kentucky, but in Idaho, in Nevada, down in North Carolina. Going everywhere, serving actually with the Forest Service as people who are fighting forest fires. It is indeed a very profitable program for people to be involved with and profitable to people who regard forest fires as a dangerous thing. These people have saved us literally millions of dollars in damage that would have accrued because of forest fires.

In local communities, the gentleman from Missouri, Mr. EMERSON, was referring in talking to me the other day about how a Job Corps center in his area that again is being talked about being closed, had done over $2 billion worth of actual work toward the building and maintenance of a community college in his area.

The stories go on. I can tell you about another Job Corps center that I know personally that has worked in terms of doing flood relief. Another one that has worked in terms of building a road to assist the community. Another one that has worked to build a community center. They are involved with programs that go out and help the community. These are the participants of this program, these are the same ones with that 40 percent arrest record.

You take someone like that and put them in a disciplined, structured environment, out of their old home environment where they have had so much difficulty making it in the past. What happens? You are not going to succeed in every case; no question about that. But you know, we succeed in more cases with Job Corps than we do not. Accordingly to studies that I mentioned earlier, time and time again that we have documented, for every dollar that we invest, we get a lot more than that dollar back.

I would like to ask my colleagues: Do we not believe that here in America it is really important that we try to give an opportunity for a future to everyone. Not just the people who make it on the first go-around.

I am a great advocate of elementary and secondary education. I am a great advocate and believer in the importance of a collegiate education. I am a great advocate that we should have more graduate students who are involved in the maths and sciences and philosophy and the humanities programs. But, at the same time, there is another element of society. There are the ones who did not make it on the first shot, the first go-around.

Are we to discard them? Put them in the human trash heap to just cause nothing but a smoldering fire and trouble for society for the next 50 years? Or do we attempt to take those people and transform them into productive, working citizens?

My colleagues, Mr. Speaker, literally the question is answered with Job Corps. Job Corps is the Federal Government's answer to what we should do for people who are in this type of situation. It is literally, as my distinguished colleague from Pennsylvania has said, the last hope, as opposed to incarcerating them at $45,000 a year, we take them out and for a short period of time have a training program where we have in excess of around 85 participant placement in a job or some other advanced educational activity after they have been there for 6 months. Should we deny 2,500 students nationally the opportunity to have that type of chance? Or should, when the proper funding is already available, when the funding we see

coming in both versions of the House and the other body's package of the budget, and when the money is available, short term, in the construction and the pilot project sections of the budget for this year to maintain that program.

□ 1835

Should we allow these centers to close? Should we allow the physical plants that are in operation to shut down? How much would it cost again to start these physical plants? How much would it cost to again bring in the students that are across America that we are only peripherally touching now, but yet, since the sixties, we have been able to have 2 million taxpaying citizens come from those types of Job Corps centers? How much would it cost to reinstitute the program that we are shutting down for apparently no financial reason, but rather because of some bureaucratic or intentional thinking that we would deprive these students of an opportunity for a future?

Mr. Speaker, that is a question that I have a great deal of concern about. It is one that I think we need to address. It is one that I shall be addressing again and again and again until I receive some sort of appropriate response that will indicate to me why we are not trying to address the problems of America's poor. It goes beyond the Job Corps centers. It goes stretching out into all areas. It goes beyond what we are doing in the budget tomorrow. And it goes basically into how people live. It goes into deciding what kind of life these people are going to have in the future. It is as basic as that.

It pays a multiplier effect for every taxpayer citizen we can have. It is hard to have somebody who is ill-trained with no skills with a big family. You know what happens to that kind of family. You know what happens to the people in that family.

What you have to do is take those people and give them some hope, give them a job, give them a trade, give them a future. That is what Job Corps is about. That is what these programs are about. And that is what we need to continue in America today.

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. BEREUTER, for 5 minutes, today.

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

Mr. ANNUNZIO, for 5 minutes, today.

EXTENSION OF REMARKS

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

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

Mr. SILJANDER.
Mr. LENT in two instances.
Mr. LAGOMARSINO.
Mr. REGULA.
Mr. THOMAS of California.
Mr. BEREUTER.
Mr. BOEHLERT in two instances.
Mr. GILMAN in three instances.
Mr. COUGHLIN.
Mr. GEKAS in three instances.
Mr. DORNAN of California.
Mr. HENRY.
Mr. MCEWEN.
Mr. COURTER.
Mr. CRANE.
Mr. LOWERY of California.
Mr. DIOGUARDI in two instances.
Mr. ROWLAND of Connecticut.
Mr. KOLBE.
Mr. WOLF.
Mr. HUNTER.

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

Mr. ANDERSON.
Mr. COLEMAN of Texas.
Mr. BARNES.
Mr. GARCIA in two instances.
Mr. COELHO.
Mr. MINETA.
Mr. DE LUGO.
Mr. LEHMAN of Florida.
Mr. SKELTON in two instances.
Mr. STARK in three instances.
Mr. DARDEN.
Mr. HAMILTON.
Mr. FROST.
Mr. SOLARZ.
Mr. LIPINSKI.
Mr. BOLAND.
Mr. BEILENSON.
Mr. UDALL.
Mr. MARKEY.
Mr. LUKEN.
Mr. TORRICELLI in two instances.
Mr. GAYDOS.
Mr. RODINO.
Mr. DYMALLY.
Mr. YATRON.
Mr. FLORIO.
Mr. SUNIA.
Mr. TORRES.
Mrs. BURTON of California.
Mr. GUARINI.
Mr. FASCELL in two instances.
Mr. O'NEILL.
Ms. MIKULSKI.
Mr. DERRICK.

ENROLLED BILL SIGNED

Mr. ANNUNZIO, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H.R. 4767. An act to deauthorize the project for improvements at Racine Harbor, WI.

SENATE ENROLLED BILLS AND JOINT RESOLUTIONS SIGNED

The SPEAKER announced his signature to enrolled bills and joint resolutions of the Senate of the following titles:

S. 8. An act to grant a Federal charter to the Vietnam Veterans of America, Inc.;

S. 2329. An act to make technical corrections in the higher education title for the Consolidated Omnibus Budget Reconciliation Act of 1985;

S.J. Res. 251. Joint resolution to designate the week of May 11, 1986, through May 17, 1986, as "National Science Week, 1986"; and

S.J. Res. 323. Joint resolution to designate May 21, 1986, as "National Andrei Sakharov Day."

ADJOURNMENT

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

The motion was agreed to; accordingly (at 6 o'clock and 37 minutes p.m.), the House adjourned until Thursday, May 15, 1986, at 10 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

3494. A communication from the President of the United States, transmitting requests for supplemental appropriations for fiscal year 1986, and appropriation language for fiscal year 1987, pursuant to 31 U.S.C. 1107 (H. Doc. No. 99-220); to the Committee on Appropriations and ordered to be printed.

3495. A letter from the Acting Assistant Secretary of State, Legislative and Intergovernmental Affairs, transmitting a copy of Presidential Determination No. 86-9, reporting that it is in the national interest for the Export-Import Bank to extend credit to the People's Republic of China in connection with the purchase of two coal-fired thermal power stations and related equipment services, pursuant to 12 U.S.C. 635(b)(2); to the Committee on Banking, Finance and Urban Affairs.

3496. A letter from the Assistant Secretary for Congressional and Intergovernmental Affairs, Department of Commerce, transmitting a copy of the report, "The U.S. Automobile Industry, 1984," pursuant to 15 U.S.C. 1871; to the Committee on Banking, Finance and Urban Affairs.

3497. A letter from the Chairman, Reports Committee, Department of Education, transmitting the fiscal year 1985 annual report of the National Council on Educational Research, pursuant to 20 U.S.C. 1221e(c)(3); to the Committee on Education and Labor.

3498. A letter from the Acting Director, Defense Security Assistance Agency, transmitting further information concerning a letter of offer to sell certain defense articles or services to Saudi Arabia submitted to the Congress on February 26, 1986, pursuant to

22 U.S.C. 2776(b); to the Committee on Foreign Affairs.

3499. A letter from the Acting Assistant Secretary of State for Legislative and Intergovernmental Affairs, transmitting a report of political contributions by John Dale Blacken, Ambassador-designate to the Republic of Guinea-Bissau, and members of his family, pursuant to 22 U.S.C. 3944(b)(2); to the Committee on Foreign Affair.

3500. A letter from the Acting Assistant Secretary of State for Legislative and Intergovernmental Affairs, transmitting a report of political contributions by Vernon Dubois Penner, Jr., Ambassador-designate to the Republic of Cape Verde, and members of his family, pursuant to 22 U.S.C. 3944(b)(2); to the Committee on Foreign Affairs.

3501. A letter from the Acting Assistant Secretary of State for Legislative and Intergovernmental Affairs, transmitting a report of political contributions by Patricia Gates Lynch, Ambassador-designate to the Democratic Republic of Madagascar and the Federal and Islamic Republic of the Comoros, and members of her family, pursuant to 22 U.S.C. 3944(b)(2); to the Committee on Foreign Affairs.

3502. A letter from the Acting Assistant Secretary of State for Legislative and Intergovernmental Affairs, transmitting a report of political contributions by Harry W. Shlaudeman, Ambassador-designate to the Federative Republic of Brazil, and members of his family, pursuant to 22 U.S.C. 3944(b)(2); to the Committee on Foreign Affairs.

3503. A letter from the Administrator, General Services Administration, transmitting the fourth biennial report on excess and surplus personal property programs, covering the period October 17, 1983 through October 16, 1985, pursuant to Public Law 94-519, section 10; to the Committee on Government Operations.

3504. A letter from the Assistant Secretary of the Interior (Indian Affairs), transmitting a report on donations received and allocations made from the funds contributed for the advancement of the Indian race, during the fiscal year ending September 30, 1985, pursuant to 25 U.S.C 451; to the Committee on Interior and Insular Affairs.

3505. A letter from the Secretary of Transportation, transmitting the 1986 annual report on highway safety improvement programs, which deals with the rail-highway crossings and hazard eliminating programs, pursuant to 23 U.S.C. 130 nt.; to the Committee on Public Works and Transportation.

3506. A letter from the Assistant Secretary, Conservation and Renewable Energy, Department of Energy, transmitting a copy of the fiscal year 1985 report entitled, "Federal Methanol Fleet Program Report to Congress of First Year Activities"; jointly, to the Committee on Appropriations and Government Operations.

3507. A letter from the Secretary of Health and Human Services, transmitting a report on the status of the Social Health Maintenance Organization [SHMO] demonstration, pursuant to Public Law 98-369, section 2355(d)(i) and (2); jointly, to the Committees on Ways and Means and Energy and Commerce.

3508. A letter from the Comptroller General of the United States, transmitting a report, ADP systems: concerns about the acquisition plan for DOD's composite health care system (GAO/IMTEC-86-12; March 1986), pursuant to Public Law 99-145, section 1203(g) (99 Stat. 719); jointly, to the Committees on Government Operations and Armed Services.

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. DONNELLY:

H.R. 4819. A bill to amend section 207 of title 18, United States Code, to prohibit Members of Congress and officers and employees of any branch of the United States Government from attempting to influence the United States Government or from representing or advising a foreign entity for a proscribed period after such officer or employee leaves Government service, and for other purposes; to the Committee on the Judiciary.

By Mr. DINGELL (for himself, Mr. BROYHILL, Mr. WYDEN, Mr. ECKART of Ohio, Mr. BLILEY, Mr. SIKORSKI, Mr. OXLEY, Mr. LUKEN, Mr. ECKERT of New York, Mr. BRYANT, and Mr. WHITTAKER):

H.R. 4820. A bill to amend the Federal Food, Drug, and Cosmetic Act to ban the reimportation of drugs produced in the United States, to place restrictions on drug samples, to ban certain resales of drugs purchased by hospitals and other health care facilities, and for other purposes; to the Committee on Energy and Commerce.

By Mr. GLICKMAN (for himself, Mr. HAWKINS, Mr. MICA, Mr. ASPIN, Mr. CONTE, Mr. JEFFORDS, Mr. LEACH of Iowa, and Ms. SNOWE):

H.R. 4821. A bill to authorize appropriations for fiscal years 1987 and 1988 for the United States Institute of Peace; jointly to the Committees on Education and Labor and Foreign Affairs.

By Mr. MACKAY:

H.R. 4822. A bill to amend title II of the Social Security Act to remove permanently the 3 percent threshold requirement for cost-of-living increases; to the Committee on Ways and Means.

By Mr. MAZZOLI:

H.R. 4823. A bill to amend the Immigration and Nationality Act to improve the administration of the immigration and nationality laws, and for other purposes; to the Committee on the Judiciary.

By Mr. MINETA (for himself, Mr. WRIGHT, Mr. HOWARD, Mr. HAMMERSCHMIDT, Mr. ANDERSON, Mr. NOWAK, Mr. MOODY, and Mr. WILLIAMS):

H.R. 4824. A bill to prohibit the buying and selling of certain operating rights at airports and to require implementation of a new rule relating to the allocation of such rights; to the Committee on Public Works and Transportation.

By Ms. OAKAR (for herself, Mr. MYERS of Indiana, Mr. GARCIA, Mr. HORTON, Mr. SIKORSKI, and Mr. YOUNG of Alaska):

H.R. 4825. A bill to amend chapter 89 of title 5, United States Code, to provide authority for the direct payment or reimbursement of certain additional types of health care professionals; to clarify certain provisions of such chapter with respect to coordination with State and local law; and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. UDALL (for himself and Mr. RAHALL):

H.R. 4826. A bill to amend the Act of February 25, 1920, to provide for competitive leasing of oil and gas for onshore Federal lands, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. ALEXANDER:

H.J. Res. 633. Joint resolution to designate April 19 of each year as "Dutch-American Friendship Day"; to the Committee on Post Office and Civil Service.

By Mr. MARKEY (for himself and Mr. BEREUTER):

H.J. Res. 634. Joint resolution debarring Morton Thiokol, Inc., from contracting and subcontracting with NASA until a determination is made by the Comptroller General with respect to actions which were allegedly taken by such corporation against its employees because they gave certain information to the Presidential Commission on the Space Shuttle Challenger Accident; to the Committee on Science and Technology.

By Mr. SHAW (for himself, Mr. ACKERMAN, Mr. EDWARDS of Oklahoma, Mr. FORD of Michigan, Mr. AKAKA, Mr. ANTHONY, Mr. BARTLETT, Mr. BENNETT, Mrs. BENTLEY, Mr. BEVILL, Mr. BIAGGI, Mr. BILIRAKIS, Mr. BLAZ, Mr. BONER of Tennessee, Mr. BONIOR of Michigan, Mr. BORSKI, Mrs. BOXER, Mr. BROOMFIELD, Mr. BROWN of Colorado, Mrs. BURTON of California, Mrs. BYRON, Mr. CHAPPELL, Mr. CLINGER, Mr. COATS, Mr. COBEY, Mr. COBLE, Mr. COLEMAN of Missouri, Mr. COLEMAN of Texas, Mrs. COLLINS, Mr. CONTE, Mr. CONYERS, Mr. COOPER, Mr. CRAIG, Mr. CROCKETT, Mr. DANIEL, Mr. DANNEMEYER, Mr. DARDEN, Mr. DAUB, Mr. DE LA GARZA, Mr. DELAY, Mr. DEWINE, Mr. DOWDY of Mississippi, Mr. DWYER of New Jersey, Mr. FAZIO, Mr. FISH, Mr. FOLEY, Mr. FUSTER, Mr. GORDON, Mr. GRAY of Illinois, Mr. HARTNETT, Mr. HAWKINS, Mr. HEFNER, Mr. HENDON, Mr. HENRY, Mr. HILER, Mr. HOPKINS, Mr. HORTON, Mr. HOWARD, Mr. HUGHES, Mr. HYDE, Mr. JEFFORDS, Mr. JONES of North Carolina, Ms. KAPTUR, Mr. KASTENMEIER, Mr. KEMP, Mrs. KENNELLY, Mr. KILDEE, Mr. KOLBE, Mr. KRAMER, Mr. LAGOMARSINO, Mr. LANTOS, Mr. LEHMAN of Florida, Mr. LEVIN of Michigan, Mr. LOEFFLER, Mr. LOTT, Mr. MCDADE, Mr. MANTON, Mr. MARKEY, Mr. MARTIN of New York, Mr. MARTINEZ, Mr. MICHEL, Mr. MINETA, Mr. MONSON, Mr. MORRISON of Connecticut, Mr. MRAZEK, Mr. NIELSON of Utah, Mr. O'BRIEN, Mr. PANETTA, Mr. PEPPER, Mr. PERKINS, Mr. RAHALL, Mr. REID, Mr. RINALDO, Mr. ROEMER, Mr. ROGERS, Mr. ROSE, Mr. ROWLAND of Connecticut, Mr. SAVAGE, Mr. SCHEUER, Mr. TOWNS, Mr. VALENTINE, Mr. VENTO, Mrs. VUCANOVICH, Mr. WEISS, Mr. WISE, Mr. WORTLEY, Mr. WRIGHT, Mr. YOUNG of Florida, and Mr. YOUNG of Missouri):

H.J. Res. 635. Joint resolution to designate the school year of September 1986 through May 1987 as "National Year of the Teacher" and January 28, 1987, as "National Teacher Appreciation Day"; to the Committee on Post Office and Civil Service.

By Mr. YATRON (for himself, Mr. GREEN, Mr. FASCELL, and Ms. SNOWE):

H. Con. Res. 338. Concurrent resolution expressing the sense of the Congress that the President should take appropriate actions toward the establishment of a coopera-

tive international program to study the greenhouse effect; jointly, to the Committees on Foreign Affairs and Science and Technology.

MEMORIALS

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

373. By the SPEAKER: Memorial of the Senate of the State of Hawaii, relative to the Cooperative Extension Service programs of the U.S. Department of Agriculture; to the Committee on Agriculture.

374. Also, memorial of the Senate of the State of Hawaii, relative to the continuing problem of those missing or otherwise unaccounted for from the war in Southeast Asia; to the Committee on Foreign Affairs.

375. Also, memorial of the Senate of the State of Hawaii, relative to apartheid and the increase of violence in South Africa; to the Committee on Foreign Affairs.

376. Also, memorial of the legislature of the State of New Hampshire, relative to Korean war veterans; to the Committee on House Administration.

377. Also, memorial of the Senate of the State of Hawaii, relative to amending the Jones Act to exclude commercial fishers; jointly, to the Committees on Merchant Marine and Fisheries and Education and Labor.

ADDITIONAL SPONSORS

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

H.R. 585: Mr. AuCoin, Mr. Bonker, and Mr. Boehlert.

H.R. 669: Mr. Feighan, Mr. Foglietta, Mr. Borski, Mr. de la Garza, and Mr. Nowak.

H.R. 782: Mr. Ackerman, Mr. Florio, and Mr. Oberstar.

H.R. 1309: Mr. Dicks, Mr. Kanjorski, Mr. Bryant, Mr. Clinger, and Mr. Durbin.

H.R. 1398: Mr. Oberstar.

H.R. 1705: Mr. Morrison of Connecticut.

H.R. 1927: Mr. Visclosky.

H.R. 2337: Mr. Cobey and Mr. Siljander.

H.R. 2977: Mr. Valentine and Mr. Hendon.

H.R. 3006: Mr. Ortiz and Mr. Rowland of Georgia.

H.R. 3419: Mr. Gunderson.

H.R. 3429: Mr. Smith of Florida, Mr. Wilson, Mr. Lipinski, and Mr. Hayes.

H.R. 3643: Mr. Stangeland.

H.R. 3866: Mr. Williams and Mr. Bustamante.

H.R. 4126: Mr. Dickinson and Mr. Pursell.

H.R. 4300: Mr. McGrath, Mr. Gephardt, Mr. Lent, and Mr. Wirth.

H.R. 4311: Mrs. Kennelly, Mr. Yates, Mrs. Long, Mr. Fawell, Mr. Daschle, Mr. Lowry of Washington, Mr. Courter, Mr. Bereuter, Mrs. Roukema, Mr. Biaggi, Mr. Miller of California, and Mr. Kleczka.

H.R. 4333: Mr. Lowry of Washington and Mr. Yatron.

H.R. 4338: Mr. Howard, Mr. Dwyer of New Jersey, Mr. Yatron, Mr. Pepper, Ms. Kaptur, Mr. Clinger, Mr. Evans of Illinois, Mrs. Holt, Mr. Williams, Mr. Torres, Mr. Price, Mr. McCain, Mr. Kastenmeier, Mr. Daschle, Mr. Mollohan, Mr. Hubbard, Mr. Ralph M. Hall, Mr. Manton, and Mr. Weaver.

H.R. 4344: Mr. Boehlert and Mr. Whitehurst.

H.R. 4349: Mr. Gallo and Mr. Stangeland.

H.R. 4369: Mr. Roberts.

H.R. 4403: Mr. Shaw, Mr. Wyden, Mr. Murphy, Mr. Wortley, Mr. Gejdenson, Mr. Kostmayer, Mr. Whitehurst, Mr. Penny, Mr. Roe, Mr. Smith of Florida, Mr. Slattery, Mr. Swindall, Mr. Fazio, Mr. Matsui, Mr. Scheuer, Mr. Edwards of Oklahoma, Mr. Neal, Mr. Florio, Ms. Kaptur, Mrs. Kennelly, Mr. Morrison of Connecticut, and Mr. McGrath.

H.R. 4471: Mr. Pease.

H.R. 4643: Mr. Bartlett.

H.R. 4647: Mr. Gunderson and Mr. Boehlert.

H.R. 4653: Mr. Lowry of Washington.

H.R. 4655: Mr. Hughes, Mr. Horton, and Mr. McKernan.

H.R. 4671: Mr. Barnes, Mr. Owens, Mr. Fauntroy, Mr. Dorgan of North Dakota, Mr. Whitehurst, Mr. AuCoin, Mr. Kolbe, Mr. Towns, Mr. Hall of Ohio, Mr. Biaggi, Mr. Leland, Mr. Dicks, Mr. McHugh, Mr. McCurdy, Mr. Hefner, Mr. Weaver, Mr. Wortley, Mr. Frost, Mr. Hyde, Mrs. Holt, Mr. Rowland of Georgia, Mr. Bonior of Michigan, Mr. Evans of Illinois, Mr. Levin of Michigan, Mr. Hughes, Mrs. Burton of California, Mr. Fuster, Ms. Kaptur, Mr. Wirth, Mr. Roybal, Mr. Kindness, Mr. Thomas of Georgia, and Mr. Tauke.

H.R. 4696: Mr. Skelton, Mr. Stratton, Mr. Coleman of Texas, Mr. Sundquist, Mr. Penny, Mr. Feighan, Mr. Mollohan, Mr. Walgren, Mrs. Holt, Mr. Derrick, Mr. Whitten, and Mr. Owens.

H.R. 4710: Mrs. Holt, Mr. Pursell, and Mr. Towns.

H.R. 4713: Mr. Murphy, Mr. Cooper, and Mr. Markey.

H.R. 4755: Mr. Horton, Mr. Lagomarsino, and Mr. Skelton.

H.R. 4802: Mr. Daschle.

H.J. Res. 10: Mr. de Lugo, Mr. Feighan, and Mr. Hoyer.

H.J. Res. 498: Mr. Dornan of California.

H.J. Res. 501: Mr. Lagomarsino, Mr. Stratton, Mr. Horton, Mr. Fuster, Mr. Wolf, Mr. Fuqua, Mr. Wilson, Mr. Wortley, Mr. Hayes, Mr. Bedell, Mr. de la Garza, and Mr. Dornan of California.

H.J. Res. 508: Mr. Pursell.

H.J. Res. 531: Mr. Saxton, Mr. Barnard, and Mr. Coughlin.

H.J. Res. 611: Mr. Rodino, Mrs. Bentley, Mrs. Holt, Mrs. Burton of California, Mrs. Roukema, Mr. Smith of Florida, Mr. Owens, Mr. Bedell, Mr. Fish, Mr. Hoyer, Mrs. Boxer, Mr. Levin of Michigan, Mr. Martinez, and Mr. Dornan of California.

H.J. Res. 622: Mr. Tauke, Mr. Pursell, and Mrs. Boxer.

H.J. Res. 624: Mr. Kindness.

H. Con. Res. 285: Mr. Pursell.

H. Con. Res. 310: Ms. Mikulski, Mr. Thomas of California, and Mr. Kasich.

H. Con. Res. 321: Mr. Fish, Mrs, Martin of Illinois, Mr. Lagomarsino, Mr. Glickman, and Mr. Edwards of Oklahoma.

H. Con. Res. 325: Mr. Bevill, Mr. Dornan of California, Mr. Fish, Mr. Luken, Mr. Owens, Mr. Roe, and Mr. Wilson.

H. Con. Res. 326: Mr. Ackerman, Mr. de la Garza, Mr. Dornan of California, Mr. Eckart of Ohio, Mr. Fazio, Mr. Frank, and Mr. Valentine.

H. Con. Res. 330: Mr. Lantos, Mr. Wortley, Mr. Bustamante, Mr. Garcia, Mr. DioGuardi, Mr. Jeffords, Mr. Borski, Mr. Bruce, Mr. Applegate, Mrs. Boxer, Ms. Oakar, and Mr. McGrath.

H. Res. 388: Mr. Ackerman, Mr. Weiss, Mr. Applegate, Mr. Neal, and Mr. Bedell.

H. Res. 404: Mr. Martinez.

H. Res. 413: Mrs. Lloyd, Mr. Smith of New Hampshire, Mr. Clinger, Mr. McKernan, Ms. Snowe, and Mr. Richardson.

H. Res. 451: Mr. Ackerman, Mr. Anderson, Mr. Chappell, Mr. Dyson, Mr. Frank, Mr. Horton, Mr. Manton, Mr. McCurdy, Mr. Owens, Mr. Smith of New Jersey, Mr. Stokes, Mr. Weiss, Mr. Wortley, Mr. Yatron, Mr. Fazio, and Mr. Fauntroy.

PETITIONS, ETC.

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

350. By the SPEAKER: Petition of the Somerville Board of Aldermen, city of Somerville, MA, relative to a nuclear weapons testing moratorium; to the Committee on Foreign Affairs.

351. Also, petition of the Federal Administrative Law Judges Conference, Washington, DC, relative to the rights of social security claimants, and the decisional independence of social security judges; to the Committee on Ways and Means.

352. Also, petition of the Forest Ridge School District No. 142, Oak Forest, IL, relative to certain provisions of the tax reform bill of 1985, H.R. 3838; to the Committee on Ways and Means.

EXTENSIONS OF REMARKS

GOING HOME TO QUEENS

HON. THOMAS P. O'NEILL, JR.

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 14, 1986

Mr. O'NEILL. Mr. Speaker, Joe Addabbo was as loved as any person who have ever served in the Congress. My heart still aches from his passing. The tributes paid to him at his funeral service in New York were moving and sincere; yet we all knew it was impossible to adequately express our sorrow, our deep sense of loss.

Phyllis Zagano describes herself as Joe's adopted niece. In a recent article, she describes her special relationship with "Uncle Joe," and in doing so shares with us the warmth and caring he shared with her—and with so many others.

I am pleased to bring Ms. Zagano's article to the attention of my colleagues.

[From the New York City Tribune, Apr. 22, 1986]

GOODBYE UNCLE JOE

(By Phyllis Zagano)

They buried Joe Addabbo the other day, over at St. John's in Middle Village, the Catholic cemetery where all the Queens Catholics go when it is all over. They had the funeral in the city, though, over at St. Patrick's Cathedral. It seemed awfully fancy for Joe Addabbo, but in a way it wasn't good enough.

They were all there, all those famous people he knew. Three busloads of senators and congressmen. The cardinal. The bishop. The mayor. The governor. Nine priests, three ministers, five altar boys, nine military pall bearers, and a master of ceremonies. But mostly there were the people, so many of the people from South Queens—from South Jamaica and St. Albans, from Springfield Gardens and Rosedale and from South Ozone Park. I think they're still in the district. The lines would change with every election, but since 1960 the heart of the district beat in Joe Addabbo's chest.

I met him first when I was so little I don't remember when it was. He was my uncle's campaign manager, and in 1960 they switched roles. When I met him again, at a ship's commissioning, it was long after my uncle had died. I'm sure there were 200 people at that reception, but once he knew I was my uncle's niece, he demanded I meet every person there. They heard, as did I, of his friendship with my uncle. And that day, since my uncle was dead, he proclaimed himself my "Uncle Joe."

We ran into each other a lot, at dinners and at school symposia on this or another issue. We often ended up on the same plane, back or forth from Washington. I'd see him, at National Airport, bouncing down the corridor. His tie was never related to the rest of him; it seemed to have a life of its own. His clothes always looked more rumpled than you remembered them; he looked more tired, or he suffered from the heat. "Hiya, Baby!" he'd grin whenever he saw me. "Hiya, Baby!" Who else in 1986 could get away with that? "Hiya, Uncle Joe!"

We'd talk about the district, and about whatever election he had coming. We never talked about the Congress, or about issues. I suppose we didn't see eye to eye on all of them. We'd talk about our families, and how they were, sounding more sometimes like consulting physicians than a couple of tired travelers. The last time I sat with him at National Airport, waiting for the thunderclouds to let us board, he lectured me on my family's hereditary health problems, sternly ordering me to have this or another test, in order to beat a sudden death. He did agree, however, that the only way to beat death is to live life.

And so he did. So here they all were, in that big Cathedral on Fifth Avenue in New York City, and Joe Addabbo's casket was in the center aisle, next to Tip O'Neill, the Speaker of the House of Representatives. And next to Al D'Amato, the New York Senator.

Once they read the gospel, it sounded a little more normal. The priest, I think it was Joe's pastor, sounded like he knew where he came from, and where he came from was Queens.

We were all his family there. The congressional staffers in their striped suits and yellow ties, the ladies from Queens, and the Addabbos, including Joe's father, who at 90 now had lived long enough to bury his son. The Speaker of the House of Representatives spoke. He said, "Joe Addabbo loved and cared for people." He said, "Joe knew where he came from." He said, "he knew it was nice to be important, but more important to be nice." And, afterward, the whole Cathedral rose as one to applaud Joe Addabbo, because the Cardinal said we could, and because we wanted to.

I don't suppose that if I'd ever really talked to Uncle Joe about the issue we would get on that well. I saw him as the ultimate New York politician. The only wasted defense dollar, I would kid him, was one that wasn't spent in New York. Once the plane landed, wherever it was, he would wink, and grin, and return to the fold—to the waiting staffer, or campaign worker, or family member. Always, the wink, the grin, and "seeya, baby." as he rumbled down the corridor.

When they rolled the casket down the center aisle of the cathedral, they stopped at the front door. The honor guard presented the American flag and unfolded it slowly, slowly, over the casket. They held it out, tight, and slowly draped it over the bronze box in which it lay. Then they carried the casket down the steps of the Cathedral, and all of Fifth Avenue stopped to watch while the Cardinal blessed it with holy water.

The sun has given way to a gunmetal grey overcast, as they put the casket into the waiting herse. He could have had the bands and trumpets, and the flag and the big honor guard, but they kept it simple, and that was good. So there he was, waiting on Fifth Avenue to go home to Queens.

Seeya, Joe.

BEILENSON LEGISLATIVE REPORT

HON. ANTHONY C. BEILENSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 14, 1986

Mr. BEILENSON. Mr. Speaker, I am taking the liberty of sharing with my colleagues a recent newsletter of mine which briefly discuss four major issues that are facing us this year—the budget deficit, the effect of star wars on nuclear arms control, aid to the Contras in Nicaragua, and tax reform. I have received positive constituent response to the newsletter and thought my colleagues might be interested in seeing it.

FOUR IMPORTANT ISSUES FOR 1986

This report is an effort to bring you up to date on four of the major issues that Congress and the President are now debating in Washington.

We'll be facing a number of other difficult issues as well, such as immigration reform and the U.S. trade deficit, but we shall be making decisions and voting soon on the ones I've discussed below.

It's not possible, of course, to do justice to these issues in so brief a format—each is complicated, and none of the answers is simple or easy. But I have indicated my own feelings about each and, as always, I welcome your comments and questions.

1. CONTROLLING THE DEFICIT

The biggest issue facing Congress and the President—one that overshadows everything else in Washington—is our continuing, enormous federal budget deficit. The U.S. government has run a deficit almost every year since World War II, but none has been nearly so large as the annual deficits we have been faced with since 1981. In each of the last four years, the federal deficit has been more than three times the size of any single deficit prior to 1981.

The amount of debt that we have run up in just the last five years is equal to the total national debt that was accumulated under all previous presidents, from George Washington through Jimmy Carter. In other words, the size of the total federal debt has more than doubled since President Reagan took office, and it will double again in the next several years if we do not take the necessary steps to control it.

It was this doubling of the debt and the government's failure to reduce these $200 billion annual deficits that led to passage last year of the Gramm-Rudman budget law which requires mandatory reductions in the deficit for five years in order to balance the budget by 1991. To comply with the new law, next year's deficit will have to be reduced by about $40 billion.

President Reagan has proposed to meet this target by slashing spending for a wide range of domestic programs, many of which have already been deeply cut during his Administration. However, in early March, the Senate's Republican-dominated Budget

Committee overwhelmingly rejected the President's budget and passed instead a proposal of its own. Lawmakers of both parties are paying attention to what every nationwide poll taken during the past few months has shown: more than two-thirds of Americans agree that defense spending should not be increased; that there should not be further major cuts in domestic programs; and that some additional revenues must be raised if we are to make a serious effort to reduce the size of the federal budget deficit.

In the past, deficit reduction efforts have failed because too much of the budget was taken off the negotiating table: the President has insisted on continued major defense growth and no new revenues; neither he nor most members of Congress have wanted to touch Social Security; and interest on the national debt (currently 15 percent of total federal expenditures) must be paid. That has left only 35 percent of the entire budget available for reductions. With so small a portion of the budget left to cut, and additional taxes of any kind of limits, it's no wonder that we have been unable to bring deficits below the $200 billion range.

This year, we are going to have to change course. The President, the Senate, and the House of Representatives are all going to have to give some ground in this year's budget battle. There is simply no way that we can comply with the new law if we don't.

The good news is that if, in fact, the President and Congress do put all parts of the budget back on the table, reducing the deficit will be a much less difficult task because we will be able to spread the burden more broadly. If taxes, defense spending, and entitlement programs are all part of the deficit reduction effort, then there are plenty of ways to gradually eliminate the entire deficit over the next four or five years in an equitable manner that would ask very little sacrifice of any American.

That's the way we should have been approaching the problem all along.

2. SLOWING THE ARMS RACE

We haven't made much progress with the Soviets over the past few years on arms control, but the opportunity now exists for an agreement that would benefit both sides: the removal of all medium-range nuclear missiles from Europe, and a 50 percent reduction in the number of long-range nuclear missiles that can reach each other's soil.

The major obstacle to such an agreement is the President's Strategic Defense Initiative (SDI), often referred to as "Star Wars," a plan for a nuclear weapons shield that will probably cost more than a trillion dollars. The Soviet Union has made it clear that such a full-blown program—which would include actual testing and deployment of components in addition to the basic research that both sides are now conducting—is unacceptable and will thwart serious arms control negotiations between the two superpowers.

And, although the Administration contends that we can force Soviet concessions by proceeding with SDI, it is far more likely that going ahead with the program will have the unwanted and opposite effect of prompting the Soviets to build many more nuclear missiles than they have now. Most U.S. arms control experts agree that SDI and arms control are mutually exlcusive: the Soviets won't agree to reducing their nuclear offensive force at the same time that its effectiveness as a deterrent is being threatened by a new U.S. defensive system.

Thus, we face a crucial choice: we will not get the big reductions we seek in the most powerful Soviet land-based nuclear missiles (which the Reagan Administration has, quite properly, made its top arms control priority), while at the same time going ahead full steam with a nuclear defense.

There are also, of course, the many technical difficulties inherent in developing the enormously sophisticated components of an effective and operational SDI system, such as computer programs able to track thousands of incoming missiles, and weapons capable of destroying them all. As we know, mechanical and human errors can combine to destroy even a much simpler, carefully tested, and already functional operation like a space shuttle launch—and an SDI defense would involve thousands of far more complex operations that would have to work right the first time the system is used. And because we don't yet know what kinds of technologies nor what combination of yet-to-be-developed weapons will be used, the system may not work well at all, even years from now after we have spent hundreds of billions of dollars to build it. (Most of those billions, it should be pointed out, will have been shifted away from crucial investment in conventional arms that everyone agrees is badly needed.)

Most important, whatever form an SDI nuclear defense might eventually take, it will not be perfect. It will not, in the President's hopeful words, "render nuclear weapons impotent and obsolete." It will not be able to protect most of the people of the United States. In the unlikely event that the system is eventually even 99 percent effective, thus allowing only one percent of Soviet missiles to get through, 100 American cities would still be devastated, a number sufficient to destroy us as a nation. And that scenario is optimistic in that it assumes the U.S.S.R. has only the 10,000 long-range missiles currently in its arsenal; by then it is likely to have two or three times as many nuclear warheads, plus tens of thousands of decoys, in order to penetrate and defeat our defense.

Even if we are willing to commit ourselves to a vast expenditure of money, we won't know if an SDI will work well for 10, 15 or, more likely, 25 years. So, if we do go ahead in the near future with testing and deployment of initial components of an SDI system, we will lose the chance we have right now to cut back by 50 percent or more the Soviet nuclear weapons that are currently targeted on the U.S.

We thus have a grave choice to make in the coming months, and Congress will continue to examine with increasing concern the Administration's request for almost $5 billion in next year's budget for racing ahead with a full-scale Star Wars program. A majority in Congress believes that we cannot wisely spend so much money so quickly and believes, as well, that we should signal the Administration to proceed at a pace that will not doom all chances of reaching an arms control agreement with the U.S.S.R. that could be very favorable to U.S. security interests.

3. STAYING OUT OF NICARAGUA

As you know, President Reagan is strongly backing the rebels, or "contras," trying to overthrow the Sandinista government of Nicaragua. Last year, Congress refused to continue military aid to the contras, but did approve the President's request for $27 million in "humanitarian" (non-lethal) aid. This year, the President asked for an additional $100 million in aid to the contras—$70 million for military equipment, and $30 million for non-lethal materiel. Although the House of Representatives turned down the President's latest proposal in March, the issue of U.S. aid to the contras will come up again soon as the President continues to press Congress to underwrite a war against a nation with whom we are ostensibly at peace.

The great majority of the American people do not support the President's policy toward Nicaragua. They feel that not liking a government is an inadequate justification for war. There are plenty of Marxist and other undemocratic governments around the world—we would keep ourselves very busy and very bankrupt if we seriously pursued a policy of trying to get rid of them all.

Nicaragua is a very poor, weak nation of 2½ million people that poses no threat to any vital security interests of the United States. If, in fact, it ever does—if, for example, it ever allows Soviet bases on its territory—we can easily and quickly take action that will effectively remove that threat.

And there is virtually no one in Washington who really believes that Central America or other parts of the Western Hemisphere will turn communist if the Sandinistas remain in power. There is, after all, the example of Cuba: a far larger and stronger Marxist state with a charismatic leader which has been utterly unsuccessful in spreading communism beyond its own borders.

Most important, it is foolish and counterproductive for the U.S. to assume arrogantly that we are the only ones who know how to solve Latin American problems. Fortunately, there is a much better way available to meet our legitimate concerns about Nicaragua. That way is to give real support—which we stubbornly continue to refuse to do—to the many Latin American democracies that are pursuing the so-called "Contadora" effort to negotiate a regional settlement with the Sandinistas.

These other nations, after all, are more directly affected than we are by anything Nicaragua might do, since they are its neighbors and since they are much less strong than we. We should offer to help them, to support their efforts to reach a negotiated settlement, even offer to defend them if they are actually ever attacked by Nicaragua—but we should not be trying to impose a U.S.-initiated and U.S.-backed military solution in an area where every single one of our friends and allies has spoken out in opposition to what we are doing.

In the final analysis, the real question is: what policy will produce the results we want? No one in Washington believes the contra rebels can oust the Sandinistas, no matter how much American aid they are given. Meanwhile, the continuation of the war is clearly defeating our other objectives by making the Sandinista government both more repressive and more likely to accept additional Cuban military aid in order to further strengthen their armed forces. A regional negotiated settlement, on the other hand, might resolve the concerns that we and other Latin American nations have about Nicaragua. The U.S. has never given real support to such efforts; we should now give them a chance.

4. REFORMING THE TAX CODE

After a year of intense study and debate, the House of Representatives passed and sent to the Senate last December a major proposal to overhaul the federal income tax code. I supported the measure despite misgivings about some of its provisions, because

on balance I think it represents a substantial improvement over our current tax laws.

The principal provisions of the House-passed bill include:

(1) Reducing taxes for most individuals—the average family would pay about 8 percent less in taxes than it does now. The bill is especially good for middle-class families: over 50 percent of total tax relief would go to those in the $20,000-$75,000 income range.

(2) Legislating, for the first time, a tough "minimum tax"—to ensure that those businesses and individuals who have been able to avoid paying their fair share of taxes by taking advantage of loopholes and tax shelters will hereafter have to pay substantial taxes. This provision will correct the most glaring inequity of our current law, under which 50 corporations earning a total of $56 billion in profits during the past four years paid no taxes whatsoever, and more than 30,000 individuals with annual incomes in excess of $250,000 paid less than 5 percent in taxes.

(3) Reducing tax rates—with the top rate lowered from 50 percent to 38 percent—and reducing the number of brackets from 15 to 4. This is made possible because the bill reimposes on corporations part of the tax burden which has been shifted away from them—during the past three decades the explosive growth of special loopholes has reduced the share of taxes paid by corporations from 25 percent to about 6 percent, leaving individuals forced to make up the difference in ever-higher personal taxes.

(4) Retaining the most popular deductions used by individuals, including state and local taxes, home mortgage interest (for up to two homes), employer-provided fringe benefits, and charitable contributions.

(5) Raising the personal exemption for taxpayers and their dependents from $1,040 to $1,500 for those who itemize, and to $2,000 for those who do not.

(6) Eliminating six million people from the tax rolls by raising the income level at which people begin to be liable to pay taxes: for a family of four which does not itemize, the first $12,800 of gross income would be exempt.

House passage of the measure was only the first significant step toward enactment of a final law. The tax reform bill is now undergoing heated debate in the Senate Finance Committee and faces crucial votes in the full Senate before it can go to the President to be signed into law.

HUMAN RIGHTS IN EL SALVADOR: WHO'S TO TELL?

HON. SALA BURTON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 14, 1986

Mrs. BURTON of California. Mr. Speaker, my colleague, Representative MIKE BARNES, today is holding hearings before his Subcommittee on Western Hemisphere Affairs to seek some answers to questions about human rights in El Salvador. As we consider military aid to El Salvador, we should also more closely consider that government's adherence to promises to restore democracy in that nation.

A group of leaders from the ecumenical religious community in San Francisco visited El Salvador in March and found that the suffering of the general population continues virtually unabated. These findings are similar to those reported by Archbishop John Quinn of San Francisco, who visited El Salvador in January and said, "My overall impression is that the situation for the people of El Salvador is extreme."

If you are interested in learning more about the delegation's findings, contact Tom Ambrogi of the National Sanctuary Defense Fund in San Francisco.

A summary of the delegation's report follows:

The current Administration aid requests for Central America exceed $1 billion. They include $100 million for the Nicaraguan Contras, $144 million for Guatemala, $187 million for Costa Rica, $247 million for Honduras, and an outrageous $514 million for El Salvador.

Of all the items on this shopping list, the $514 million for El Salvador bears the closest scrutiny. The President is bound by law to submit to the Congress twice every year a full report on human rights in El Salvador. As traditionally presented by Elliott Abrams, Undersecretary of State for Inter-American Affairs, these reports have relied almost exclusively upon the myopic and self-serving data received, or even fabricated, within the fortress walls of the U.S. Embassy in San Salvador

Who's to tell of human rights in El Salvador? Rep. Michael Barnes (D-MD) has scheduled hearings on El Salvador for May 14 in the House Subcommittee on Western Hemispheric Affairs. Those hearings deserve national attention. Direct testimony ought to be heard about the widespread bombing of civilian populations throughout the Salvadoran countryside. Honest voices should at last be brought to the public debate on human rights and U.S. involvement in El Salvador.

Six leaders of the ecumenical religious community in San Francisco visited El Salvador from March 17-24, at the invitation of the Base Christian Communities of the Archdiocese of San Salvador. I led that delegation, and the testimonies we heard among the refugees and the displaced directly contradict the Reagan/Abrams account of what is happening in El Salvador under the "democratic" presidency of Jose Napoleon Duarte. Those voices must be amplified in the halls of Congress in the coming weeks.

On the day we arrived in San Salvador, we met with about 60 displaced peasants from Guazapa, victims of "Operation Phoenix", the brutal counter-insurgency program of the Salvadoran military which began on January 11 in an area controlled by rebel forces less than 15 miles from the capital city.

On March 13, six hundred of the displaced from Guazapa had marched on the presidential palace, insisting that President Duarte respond to their demand to return in safety to their lands and to be reimbursed for the "scorched earth" destruction of their homes, their livestock and their crops.

It was an orderly and hushed assembly and they gathered for more than two hours in a large circle to tell us their story, one after another. In a typical attack on the Guazapa villages, the Salvadoran air force bombs for two hours; A-37 "Dragonfly" fighter bombers; "push and pull" rocket-launching planes that can pause in mid-air to fire with pin-point accuracy; A C-47 equipped with three .50-caliber machine guns capable of firing 1500 rounds per minute. The air attacks are often at night, at terror-time.

Then the Army troops come in: the Atlatcati and Bracemonte Battalions, which the American press always identifies as "crack", and "U.S.-trained." They burn everything: houses left standing from the bombing, corn, food supplies, trees, the grass. When they find people, they start shooting, rounding up those who wander around in flight for forcible relocation to other parts of the country. The plan, whose name comes from the infamous "Operation Phoenix" of U.S. forces in Vietnam, is then to repopulate the devastated area with campesinos more politically favorable to government policy.

The refugees spoke again and again of the terror of the bombs and the machine-gun fire, driving women and children and the elderly into caves and shelters wherever they can find them. Their story was corrobrated by many other "testimonies" we heard in the following days. What is happening with "Operation Phoenix" on the Guazapa volcano is also happening now in many other parts of El Salvador, wherever the opposition forces are operating.

It is clear that these indiscriminate attacks on the peasant population are flagrant violations of the Geneva Conventions. We affirm the judgment of Archbiship John R. Quinn of San Francisco, when he said after his visit to these same people just a few weeks earlier: "The bombing of civilians in the countryside cannot be justified, and the use of arms against brothers and sisters who are unarmed is an outrage against God and international law."

In the following days, we visited the major church refugee camps in the San Salvador area. Calle Real is a large and expanding camp run by the Archdiocese of San Salvador, carved in tiers out of a steep hillside above a tiny stream in the wilderness. Last December there were 100 people here; there are now 900, and 60 more arrived on the day after our visit.

We sat around a rough table under the trees and listened to the quiet testimony of recent arrivals from Chalatenango and Guazapo. Lisandro is tall and muscular, with quiet, dark eyes that have seen a lot of pain. He shared with us the 5-year history of the military incursions into the villages of Chalatenango to the north, dwelling at length on the most recent operation which began on March 5 in the areas surrounding San Jose de las Flores.

When the attacks began, a group of 86 men, women and children fled the area to evade the military, walking from canton to canton by night until they arrived at the church of Dulce Nombre de Maria at dawn on March 13. The next day, the military surrounded the church, broke in, and set up their machine-guns inside the church.

"They accused us of being guerrillas," Lisandro said, "and asked the children where the arms were. We were questioned all day. A pinata filled with candy was brought for the children, and a soldier dressed as a clown appeared. 'Tell us of the rebels; we're here to protect you', the soldiers said. We started to pray the rosary."

"The colonel finally got angry and gave us two options: 'go with the Red Cross to a refugee camp, or stay and we'll first investigate you in the garrison and then let you go.' That was no choice. We know of too many who have disappeared in such a deal with the army. So we gave ourselves to the Red Cross and were brought here a few days ago."

We then heard the testimony of Maria and her teenage daughter, Rosita. Although Maria was only 43, her thin and exhausted

body was that of a much older woman. They described their flight from Guazapa, and the details of their story were strikingly identical with those we had heard earlier from the Guazapans in the cathedral. The bombs, the helicopters (which Maria kept referring to as "spiders" hovering over them), the machine-guns, and the burning of the whole earth.

Along with thirty other men, women and children, Maria and Rosita had hidden for twelve days in a steep ravine. The children began to cry from thirst and hunger. They finally gave themselves up when an army patrol discovered them and threatened to drop a grenade into the ravine. They had been in Calle Real for a month.

The stories we heard in the refugee camps which we visited left us with some lasting impressions:

1. The fact that these campesinos have survived for the last five years in the zones of conflict and now have finally been forced out, testifies to the brutal intensity of the current depopulation strategy of the Salvadoran Security Forces.

2. The political analysis of these simple peasants is remarkably well informed and sophisticated. They know what is happening to them, and they know the roots of that oppression. They know that the U.S. Congress will soon be asked to approve $514,000,000 more in military aid to the Duarte government.

Their universal message to us was not that they need food, medicine, shelter, schools in these camps—needs that are all too obvious. Rather, their message was: "Go home and do everything you can to stop the military aid from your country."

Marta, one of the leaders of the Christian Communities at Calle Real, put it passionately: "Transform the military aid into human aid. There is not a single munitions factory in all of El Salvador. The day you stop the aid, we will begin to learn how to understand one another."

On March 20, we left in the early morning to visit the Christian Communities of El Marillo, in the province of Usulutan. Usulutan lies in the southeast, and since it is a stronghold of the opposition forces, it has been the object of sustained military operations in recent months. 1500 campesinos settled here after the army drove them from their villages along the coast. They refuse to go into refugee camps, insisting that they have a right to return to their lands.

We were four hours late when we arrived at El Marillo, but several hundred people were waiting for us around a rough altar under the trees. Since December, military operations in the area had been so intense that the Christian Communities had not dared to gather in such large numbers. When the army operates, pastoral work ceases, since the army considers church workers to be subversives.

But now it was Fiesta time, and the sun was shining through the trees. We told the people that we had heard of their suffering, and we wanted them to tell us how we could help. One of the leaders replied by reading a list of demands which the communities had drawn up. Above all, they demand guarantees of safe haven from the constant military attacks, and guarantees that they can safely go home to their own land. Their list, which had been carefully written out on scraps of note paper, was then handed over to us with some ceremony. And with the hope that we could somehow be their voice to the outside world.

After sharing a meal in a dirt-floored family home, some of us heard testimonies in the large group. In December of last year, a group of North American nuns had visited them and brought them an urgently needed supply of medicines. After the nuns had left, the army came and took away the medical supplies. One of the leaders quietly told us, "We want you to know that between January 15 and January 20, five of our children died for lack of the simplest kinds of medicine."

Life in the communities of the displaced is difficult not only because of the military incursions, but also because the army regularly refuses to allow food and medicine to be brought in. This action against noncombatant civilian populations can only be called what it is: an outrageous violation of international law and fundamental human rights.

As we left the Christian Communities of El Marillo, they urges us to raise an international voice of protest about the interdiction of aid, particularly medical supplies.

That afternoon we went to a "Convivencia", where about 600 people from Christian Communities gathered to celebrate the life of Monsenor Romero. As it was coming to a close, we got a reminder of stark reality when there was a call for silence, and Marta, our friend from Calle Real, stood up to announce that Adela Guardada had been captured that morning while waiting for a bus in Mejicanos. She is one of the refugees in Domus Mariae, caring for her two children and elderly parents there. Five armed men in civilian clothes drove up and took her away.

As a result of our visit to the refugees and the displaced in El Salvador, our delegation recommends:

1. As long as the U.S. continues to supply weapons to the Duarte government, there can be no dialogue and therefore no peaceful solution to the tragic civil war in El Salvador.

There must be full public debate on the appropriations requested by the Reagan Administration for the region of Central America, and especially on the $514 million requested for El Salvador. National attention should be given to the hearings on El Salvador which Rep. Michael Barnes (D-MD) has scheduled for May 14 in the House Subcommittee on Western Hemispheric Affairs. To respond to the President's April 1 Report on Human Rights in El Salvador, direct testimony should be heard on "Operation Phoenix" in Guazapa, and on the widespread bombing of civilian populations throughout the countryside.

2. An international voice of protest should be raised about the Salvadoran military's interdiction of aid, especially medical supplies, to the Displaced in the Zones of Conflict.

HELPING OUT ECUADOR

HON. ROBERT GARCIA

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 14, 1986

Mr. GARCIA. Mr. Speaker, I recently learned that the Treasury Department issued a statement in support of the Government of Ecuador's efforts to obtain additional financial assistance from private international lenders.

The statement, I believe, should be viewed as a broad endorsement of President Febres-Cordero's administration and in particular the way in which he is dealing with the Government's economic problems. These problems have been made worse, however, by the sharp drop in world oil prices which has created a $600 million deficit for the Ecuadorian Government.

Although our Government's response to Ecuador's situation is positive, I believe what is more important now is for our Government to provide Ecuador with additional United States aid for its continued economic and political development.

A few weeks ago, Ecuador's Foreign Minister was in Washington. Several members of the congressional hispanic caucus and myself had the opportunity to sit down with the minister for a wide ranging discussion of issues of mutual concern. I came away from that meeting with a better understanding of the economic and political repurcussions the drop in oil prices has caused to Ecuador. Moreover, I have become convinced that the United States must do more than just issue laudatory statements in support of Ecuador.

Each year we dispense millions in foreign aid to countries around the globe. This year, because of budget constraints, we are not able to be so generous. Despite our fiscal restraints, it seems to me that we could do more for Ecuador. Here is a country that has adopted a sound economic program. The Wall Street Journal reported last month that Febres-Cordero's economic program has been so successful that it is threatening to put the country's black market operations out of business.

Ecuador has come a long way toward helping itself. Yet, because of its recent economic problems, it may lose the ground it has recently gained. We should do what we can to help the Government and people of Ecuador to regain that lost ground and to continue to progress politically and economically. Ecuador has been a loyal ally. It deserves our support.

Ecuador has asked the administration for additional funds to minimize further damage to its economy and democratic institutions.

It is my hope that the administration will respond affirmatively and immediately. The situation is critical, and the need is clear.

Mr. Speaker, for the benefit of my colleagues, I would like to insert at this point in the RECORD the text of the Treasury's statement as well as a copy of the article from the Wall Street Journal.

The material follows:

STATEMENT ON ECUADOR

The United States Government has assured the Government of Ecuador of its support for Ecuador's continuing economic adjustment efforts. The United States praises these efforts particularly in light of the recent difficulties stemming from the oil price drop. In this connection, the Treasury Department is actively considering, in consultation with the appropriate Ecuadoran authorities, provision of additional short-term financing to strengthen Ecuador's financial position.

[From the Wall Street Journal, Apr. 11, 1986]

FREE MARKET THEORIES BECOME PUBLIC POLICY IN ECUADOR

(By David Asman)

GUAYAQUIL, ECUADOR.—Two demure nuns in full white habits scurry out of a one-square-mile maze of shopping alleys, each carrying two, large stainless steel bowls. As I nod my head in greeting, they lower their gazes, as if caught nipping holy wine. All they had done in fact was shop for contraband.

Most of the items in this wild bazaar called La Bahia are either banned from importation, sneaked into the country duty-free or both. Yet the merchants operate openly. You can get almost anything you want, from X-rated video cassettes to washing machines to pharmaceuticals.

Vibrant markets like La Bahia can be found in most Latin American cities. Few Latin governments have seriously addressed themselves to the excessive regulation that gives rise to such illicit commerce. But Ecuador's president, Leon Febres-Cordero, is trying to free the creative potential found in places like La Bahia by chopping away red tape. This has meant taking on the bureaucracy and the elite who benefit from state subsidy and protectionism.

It is fitting that Guayaquil is home both of La Bahia and the president. This steamy port city is distinct in geography and style from the mountainous capital city of Quito—the capital with the world's third highest elevation. For decades, Guayaquil has been the industrial capital of the country. It is looked down on, literally and figuratively, by the Quito elites.

When President Febres-Cordero and his predominantly Guayaquilan cabinet moved into the executive offices in Quito, personalities as well as ideas clashed. "I wouldn't say the president is a fascist," says the Quito-based historian Enrique Ayala Mora, who describes himself as a democratic-socialist. "But he does have a tendency to bully his way through Congress." Though the president's coalition holds only 34 out of 71 seats in the legislature, he has asserted his broad popularity as a mandate for change.

The president's forceful style was evident in his handling of last month's abortive revolt by the nation's Air Force Commander, Gen. Frank Vargas Pazzos. The president cooperated with the rebellious officer until Gen. Vargas's intentions were clearly mutinous. At that point, the president gave orders to dislodge Gen. Vargas from the Quito air base. A short battle that left four dead ended the revolt.

The same swiftness has characterized the government's response to the small terrorist group called Alfaro Vive. The administration's no-negotiation policy was put to a test after an associate of the president's, Guayaquilan banker Nahim Isaias, was kidnapped last year by members of Alfaro Vive and several Colombian guerrillas. After their hideout was discovered, the president refused to accept anything less than unconditional surrender. When the terrorists demanded free passage out of the country, the president ordered the house stormed. Mr. Isaias was killed, along with his seven kidnappers.

The president is no less resolute in dealing with economic policy. While some Latin American governments talk glowingly about the free market, Mr. Febres-Cordero and his economic aides are really trying to create one from the interventionist system they inherited in 1984. Their command center is the Central Bank of Ecuador. There the president's youthful advisers—few in the central bank are over 40—have transformed a slow-moving bureaucratic monolith into a fast-pased laboratory where plans for releasing the Ecuadoran economy from price controls, import substitution laws, fixed interest rates and the like are raced from office to office and quickly brought before congress. "We don't even bother to knock on each other's doors any more," says Alberto Dahik, the 32-year-old president of the Central Bank's monetary board.

Ironically, one of the most successful measures has been a method to decrease the central bank's role in Ecuador's financial market. "In September of 1983," explains 28-year-old Michael Hollihan, one of the three "general assessors" of the central bank, "we were experiencing 60% inflation, but our interest rates were pegged by the Central Bank at 23%. Thus, our banks became decapitalized, we experienced tremendous capital flight, and an illegal market of lenders came out of the woodwork. Essentially, we decided to make this illegal market—which was actually the free market—legal."

Beginning in March 1985, the Central Bank authorized private banks to begin issuing certificates of deposit with floating interest rates. "This gradual adjustment to real rates has not only increased the people's faith in savings," says Mr. Hollihan, "but it has reduced the banking system's dependence on the Central Bank's resources." Currently the Central Bank estimates that CDs account for 30% of the basic money supply.

Other efforts to free up the economy include: the elimination of most price controls; revision and simplification of the foreign exchange system; tariff reform, and the lifting of import restrictions on over 600 items. The positive results of the president's programs have led to a bullish private sector. According to Guayaquil-based Banco del Pacifico director Leonardo Stagg, capital loans to industries and farmers have been increasing steadily in recent months and foreign banks have once again opened up lines of credit to private Ecuadoran banks.

The biggest cloud hanging over the economy at the moment is the tremendous drop in oil revenues due to falling prices on the world market. Victor Eastman, the New York-based vice president of the Central Bank, estimates that every $1 drop in the world market price of oil means $60 million less in annual export revenue for Ecuador. However, Guayaquilan businessmen, and not a few members of the administration, view this development as a blessing in disguise. "All the oil profits have been feeding the Quito bureaucracy and stalling efforts to loosen controls on private sector exporters," says Guayaquilan Chamber of Commerce president Juan Chiriboga Valenzuela. "But now the government will have to focus on other exports, which means moving to a completely floating exchange rate." While the administration simplified the multi-tiered exchange rate it inherited, exporters still must turn their dollar earnings into the Central Bank at less than market rates.

Private sector complaints touch on more than the exchange rate and in some instances reflect the uncertainty of an economy grown accustomed to government intervention. One Guayaquilan businessman who imports items that are available at much lower prices in La Bahia believes the only way to handle contraband markets is through tighter enforcement. Mr. Chiriboga disagrees: "There are those in the business community who feel comfortable with a protected market. But I don't want an end to La Bahia. What we should do is legalize it by lowering the high tariffs that support it. Then the so-called legitimate businessmen could compete openly with La Bahia entrepreneurs. Finally we have a president who is committed to this idea of an open market."

NATIONAL UNION FOR THE TOTAL INDEPENDENCE OF ANGOLA [UNITA]

HON. MARK D. SILJANDER

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 14, 1986

Mr. SILJANDER. Mr. Speaker, the issue of whether the United States should support "freedom fighters" in various places around the world is a matter of concern to all Members of Congress. Various bills have been introduced both to provide assistance to freedom fighters and to prohibit such aid.

The House may soon vote on legislation which would prohibit aid to freedom fighters in Angola and restore, in effect, the 1975 Clark amendment.

So that my colleagues can make a more informed judgment on this matter, I have attached a two-part series of articles on the National Union for the Total Independence of Angola (UNITA) which recently appeared in the Boston Globe. I believe this information is helpful in depicting life in Free Angola.

[From the Boston Globe, May 12, 1986]

IN BUSH OF ANGOLA, THE REBELS HAVE BUILT STRUGGLING SOCIETY

(By Colin Nickerson)

With UNITA rebels in Angola—The pilot, a white mercenary who said he hailed originally from Rhodesia, had filed a false flight plan back at the airport in central Namibia, naming an agricultural project near the northern border as the destination.

Now, as the Okavango River hove into view, he brought the twin-engine Piper into a sharp dive—vanishing from the radar screens of whoever might be watching—then hurtled across the muddy, crocodile-infested waters into Angola.

The small aircraft skimmed over the savannah at treetop level, setting herds of wildebeest into a stampede, terrifying elephants. It took more than an hour to reach the landing strip hacked out of the southern African bush.

A trio of men toting automatic weapons emerged from the shade of an acacia thicket. "Welcome to Free Angola," one said.

The Portuguese who ruled Angola for nearly five centuries called the desolate southeast corner of the colony "the end of the earth." To this day the region remains largely unmapped, a vastness of swamp and scrub—the haunt of stinging scorpions, stalking lions and Jonas Savimbi.

For more than a decade, Savimbi's rebel group, UNITA, has waged a guerrilla campaign against the Soviet-backed regime that came to power when Angola gained independence in 1975. Before that, UNITA—whose formal name is the National Union for the Total Liberation of Angola—was one of three major nationalist factions involved in the long struggle to oust the Portuguese.

Today, Savimbi, who recently started receiving military aid from the United States, leads what amounts to a nation within a nation. A society has grown in this forbidding bush country, where the rebels were driven during the early days of the civil war. UNITA, no longer simply a guerrilla group, governs villages and even operates schools and hospitals in a region covering about a third of Angola's total land area.

Deep within the rebel realm lies Jamba, population 14,000, Savimbi's "provisional capital."

The settlement is a sprawl of huts, camouflaged bunkers and hidden machine-gun nests. Flags bearing the rooster-and-sunrise symbol of UNITA flutter in the hot breeze; a captured Soviet truck churns along a rutted track; squadrons of young guerrillas-to-be—children, really, some no more than 11 or 12—drill with wooden weapons that all too soon will become real rifles and real grenade launchers.

STRONGHOLD BENEATH TREES

The Cuban-flown MIGs of the Angolan armed forces have never bombed Jamba. Savimbi's followers claim this is because the enemy has never located the rebel stronghold, which is largely screened beneath thorn trees. "They come looking for us, but they waste their bombs on the bush," said a UNITA colonel.

At an open-air school, children sitting on logs recite a natural history lesson aloud: "The mouse is a small mammal. He lives in the bush. He will destroy all food if you let him."

The teacher, a former guerrilla who had lost a foot during a skirmish in the north, said: "I am just as much a fighter as I was in the field. Now the enemy I fight is ignorance."

But education here also includes political indoctrination. At the close of every class, the children sing the praises of Jonas Savimbi: "Our Guide who sees farther than all other men. . ."

This is a society wholly geared for war. And everywhere are war's reminders.

Not far from the classes is an armory where damaged weapons captured from enemy troops are restored to deadly function. The yard is filled with mortars, heavy machine guns and howitzers, all Soviet-made. There is a T-34 tank and a 132-millimeter cannon capable of firing a shell 16 miles. And stack after stack of Kalashnikov assault rifles.

MAKING COFFINS, RIFLE STOCKS

The armory's carpentry shop serves a dual purpose: workers construct coffins from the same girassonde wood used in make stocks for the rifles.

Nearby, murky light filters through the reed walls of a physical rehabilitation clinic operated by a French volunteer group, Operation Handicapped International. Here, broken human beings attempt to relearn the use of limbs shattered by bullets or mortar bursts.

Beside the clinic is a workshop where peg legs and other crude prosthetic devices are fashioned on a hand-turned lathe. Thousands—perhaps tens of thousands—of Angolans on both sides of the war have lost their limbs to land miles.

The teen-ager lying on a straw mat within the clinic wore a camouflage shirt but his fighting days were over. Sweat popped from his brow, tears streamed from his eyes, as he struggled to lift the contraption of wood and leather that had replaced his left leg.

"It may be years before the learns to use it properly," said a clinic aide. "It may be never."

"WE WORK DAY AND NIGHT"

On the outskirts of Jamba is a collection of thatch-and-pole structures that serves as UNITA's main hospital. A surgeon with gray hair and sorrowful eyes presides over the primitive operating room. "In times of offensive, we work day and night, all through the hours," he said. "There is never enough anesthetic. Never enough antibiotics."

He said he had served in field hospitals for more than two decades, first during the war against the Portuguese, then during the present conflict. "For so many years I have removed bullets and the shrapnel from the young men," he said. "I wonder, now, if ever I shall see peace."

There are only three doctors working in all the territory controlled by the insurgents. One of them is Henrique Afonso Raimundo, an Angolan who trained at London's Royal College of Surgeons. Three years ago the middle-aged Physician abandoned a lucrative practice in Portugal to come out to the bush. "I felt my duty was here; I felt that my countrymen needed me," he said. "I expect to remain until freedom comes to my country."

That may be a long time. Neither side appears to have much chance of winning this war of torched villages and night attacks.

The 80,000-man Angolan army, backed by 30,000 Cuban combat troops as well as 4,000 Russian and East German advisers, boasts an advanced, Soviet-supplied arsenal of battle tanks, helicopter gunships and MIG fighter-bombers.

But the massive firepower is of little avail against roving bands of rebels who blow a bridge here, sabotage a power station there, then disappear into the bush. Nearly every road in Angola has been made impassable by insurgent ambush squads and mines. The country's main rail line has been shut down. More than 600,000 peasants have fled their fields to escape the fighting.

However, like a tsetse fly buzzing around the head of a buffalo, UNITA is capable of inflicting maddening stings but not a fatal wound. "We cannot achieve military victory," conceded Savimbi in an interview. "That is not our aim. We are fighting only to win a voice [in the government] for our people. But the government refuses to talk; so we must continue to attack."

BRIGADES GATHER FOR ATTACK

The rainy season has just ended here. And the end of the rainy season invariably signals the start of the government's offensive season. Already, six brigades of Angolan armored and infantry units—together with a contingent of Cuban troops—have massed in the towns of Cuito Cunavale and Longa for a major strike against UNITA, expected to be launched any day now.

Meanwhile, $15 million worth of US military aid for the rebels started flowing into Angola last month. The supplies are expected to include sophisticated antiaircraft and antitank weapons as well medicine, radios and trucks.

"Every day UNITA is gaining strength and gaining ground," asserted Savimbi. "We have come out to the wilderness, but we have not come out here to die."

[From the Boston Sunday Globe, May 11, 1986]

ANGOLA REBELS PIN HOPES ON US SUPPORT

(By Colin Nickerson)

With UNITA rebels in Angola—The UNITA insurgents talk about the Soviet helicopters with awe and dread.

Of all the machines in the Angolan government's Soviet-supplied arsenal, nothing terrifies the rebels more than the Hind gunships with their peculiar, insect-like snouts and fast-firing cannon capable of pulverizing an acre—and everything on it—in the blink of an eye. When the gunships come, the UNITA men tell each other glumly, there is no place on earth to hide.

Lately, however, the anti-Marxist guerrillas—called UNITA, the acronym, in Portuguese, for the National Union for the Total Liberation of Angola—have begun counting on the United States to even the odds.

"With antiaircraft missiles from your country, we can face even the helicopters without fear," said a young captain leading a detachment of insurgents along a dry river bed toward enemy lines.

Of Africa's dozen or so civil wars, the Angolan conflict is among the bloodiest and most intractable. Tens of thousands of people have died in fighting between the pro-Western insurgents and Angola's Marxist central government. The war has devastated much of the countryside and left the nation's economy in ruins.

It is also the African war with the greatest potential for widening into a serious East-West confrontation.

The Soviet Union and its allies have long been the mainstay of Angola's one-party state, providing weapons—ranging from advanced MIG fighter-bombers to Kalashnikov rifles—together with legions of military advisers and, most significantly, an estimated 30,000 Cuban troops to back up government forces.

Now the United States is wading into the fray in support of the pro-Western guerrilla organization led by a 51-year-old doctor of philosophy named Jonas Savimbi.

The Reagan administration has promised to furnish UNITA with $15 million worth of military aid, a package expected to include sophisticated Stinger antiaircraft missiles, as well as trucks, radios and medical supplies.

The first shipments of American military equipment arrived here late last month, just as Savimbi's fighters were starting to brace for the massive offensive by Cuban and Angolan forces expected to be launched this week or next.

"America's support has given fresh confidence to our men," said Savimbi in a recent interview in the war zone. "We could have survived without it, yes, but our struggle would have been that much longer and that much harder."

FIRST DIRECT US INVOLVEMENT

The assistance marks the first direct American involvement in the Angolan war since the mid-1970s, when the CIA furnished arms to UNITA and another guerrilla group.

After two decades of fighting—first against the Portuguese colonial rulers and then against the Marxist party that seized power when Angola finally won independence—UNITA now controls roughly a third of this 481,351-square-mile nation [about twice the size of Texas].

"The enemy cannot win, for he has forgotten how to fight like a guerrilla," assert-

ed the UNITA captain. "He reaches out to crush us, but we slip like water through his fingers."

In waging its guerrilla campaign against the government, however, UNITA has relied heavily on support from South Africa. This alliance has made Savimbi a pariah even in those African capitals that might otherwise be sympathetic to UNITA's cause. "I am shunned publicly by nations that privately tell me they support my fight," Savimbi said in the interview.

The insurgent leader made no apologies for accepting help from the apartheid republic, saying: "With no one else to turn to, I have had to say that the enemy of my enemy is my ally."

"That does not make me the friend of apartheid," Savimbi said. "It is an evil system, but also it is a doomed system. Already apartheid is dying. To me, the presence of a foreign army on Angolan soil is a far more dangerous threat to Africa [than apartheid]. I take help from South Africa to fight the foreigners who have invaded my land."

TRANSITIONAL GOVERNMENT

He was referring to the Cuban troops fighting on behalf of the Marxist faction—the Popular Movement for the Liberation of Angola, or MPLA—that took power in the chaotic days that followed independence from Portugal in 1975.

After the Portuguese withdrew, a transitional government was formed by the three major guerrilla groups that had dominated the liberation struggle—the MPLA, UNITA, and the Front for the National Liberation of Angola, or FNLA.

UNITA draws most of its followers from the nation's largest single tribe, the Ovimbundu, who represent more than a third of Angola's eight million people. The MPLA consists mainly of mixed-race urban dwellers and members of the Kimbundu tribe, while the FNLA is strongest among the Bakongo people of northern Angola.

At the time of independence, each group had its foreign champions: the MPLA was sponsored by the Soviets; UNITA—once backed by China—had turned to South Africa and the United States; the FNLA also received much of its support from Washington.

The fragile accord between the rival groups disintegrated almost overnight. Angola became an international battleground as South Africa crashed across the border to support UNITA and the Cubans rushed in to prop up the MPLA.

"Instead of elections, Angola got Cuban mercenaries," said one UNITA fighter. "Just when freedom was about to arrive, it was stolen from us."

REBEL LEADER FLED

In 1976, US support for UNITA and the FNLA was abruptly withdrawn by Congress. Overwhelmed by the Soviet-equipped MPLA, the two pro-Western groups retreated to the bush—the FNLA to the forests of the north and UNITA to the arid reaches of the southeast. The FNLA, wracked by internal disputes, fell into disarray. Its leader, Holden Roberto, fled to exile in the United States.

UNITA, however, continued low-level guerrilla operations against the central government. In recent years, the conflict has escalated as Savimbi's group gains strength. The rebels now range quite freely through much of the countryside while the government is entrenched in the large cities and towns.

The Cubans remain in Angola, along with several thousand Russian, East German and North Korean advisers. The Angolan government argues that the foreign presence is necessary to thwart invasions by South Africa, whose forces have repeatedly crossed the border since 1975 to chase Namibian insurgents as well as to assist UNITA.

But Savimbi claims that the real mission of the Cubans is to ensure that the Marxists remain in power. "The Russians and Cubans are Africa's new colonialists. Castro's troops are in Angola suppressing an African nationalist movement."

American military aid started reaching Savimbi's forces in late April, probably smuggled into the rebel-controlled region by way of neighboring Zaire.

The US support for UNITA has been condemned by many African nations. By helping Savimbi, they charge, the United States is signaling support for South Africa's military adventures in the region.

But Savimbi maintains that US support for UNITA will send another signal to black Africa. "The moderate African leaders will see it as sign that America is willing to take a stand in Africa," he said. "They will take heart from this. They will see that the continent does not have to kneel to the Russians."

It is unlikely that US aid to Savimbi will alter the course of the Angolan war. The conflict might best be described as a bloody stalemate; more weapons to either side will simply make it a bloodier stalemate. What the weapons will do, however, is enable UNITA to better weather the coming offensive.

No government helicopters would appear on the day that the small detachment of rebels slogged along the cracked river bed. Already, the sun was sinking behind the dusty acacias. "Another day we have survived," remarked the young UNITA captain. "And for the guerrilla, survival is a form of victory."

VALUES OF THE AMERICAN SOLDIER

HON. IKE SKELTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 14, 1986

Mr. SKELTON. Mr. Speaker, recently the Secretary of the Army, John O. Marsh, Jr., made an appearance at Fort Leonard Wood, MO, which is in the district I represent. At that time, he addressed a large audience of soldiers on values of the American soldier. It was such a well delivered and thoughtful address that I take this opportunity to share it with the members:

VALUES OF THE AMERICAN SOLDIER

This year's Army theme is "Values."

Since 1981, the Army has annually adopted themes on which to focus. No Army theme is ever abandoned; each builds on previous themes. That first year, the bicentennial of the American Army's victory at Yorktown, the theme was "Yorktown, Spirit of Victory." The next year was "Fitness," as we stressed the physical stamina needed by our soldiers to win in battle. "Excellence" was the 1983 theme, and it involved our recruiting slogan that young people could "be all they could be" in the Army. The theme placed great emphasis on achievement and opportunity, and we wanted soldiers to be aware of the challenges we were inviting young people to accept.

The "Year of the Family" involved a three-dimensional theme—the soldier and his Army family in the unit; the family of Active, Guard, Reserve and Civilian; and the husband-wife, parent-child relationship we all know. Last year we looked at "Leadership," and sought to have leaders at all levels emphasize family matters, tying the theme to the previous one.

We are living today in the closing years of the second millennium. In less than 14 years we will enter the 21st century. Events in the year 2000 will be different from what they are today; things will change. They may or may not change in ways that are in our national best interest. What we do or fail to do in the remaining years in this century can be critical to the shape of our future.

There are in today's world two contrasting value systems, described by Edward R. Murrow as a "challenge of ideas." The one value system is represented by the American Republic, and the other by the Soviet police state.

From my Pentagon office I can see across the Potomac River to the Tidal Basin, where the Jefferson Memorial stands. Inside that white monument, behind the grand statute of Jefferson, are engraved the immortal words of the Declaration of Independence: "We hold these truths to be self-evident, that all men are created equal, that they are endowed by their Creator with certain unalienable rights, that among these are life, liberty and the pursuit of happiness." That is a classic statement of American values, now fully incorporated into the fabric of American life.

At the far end of the Reflecting Pool is another marble memorial to our 16th President. Abraham Lincoln took Jefferson's values and applied them to the common man, expressing them eloquently in his Gettysburg Address: ". . . we here highly resolve . . . that this nation, under God, shall have a new birth of freedom—and that government of the people, by the people, for the people, shall not perish from the earth."

Such memorials as these are not visible in Moscow's Red Square. Where Jefferson and Lincoln—indeed all American statements of values—stressed the importance of the individual, the Soviets emphasize a doctrine of Marxist-Leninist philosophy that subordinates the individual to the state. This philosophy is deficient as an economic and governmental theory, but is extremely dangerous because of Soviet military power.

That Soviet military is formidable with its army of more than 190 divisions, its blue water navy and its ability to project its power anywhere in the world. They are engaged in adventurism around the globe.

Two final monuments are worth considering. In East Berlin is a Soviet monument to glorify the Red Army and remind the German people of their defeat at the hands of the Soviets in World War II. In West Germany there are no monuments to Americans with one notable exception, a monument to those young Americans who gave their lives to break the Berlin Blockade in 1948. That monument was erected, not by Americans but, by the grateful citizens of West Berlin. Such are the contrasting value systems of the Soviet Union and the United States.

The values cherished by the American soldier fall into two categories of tier one and tier two values. The first tier are traditional values of all armies throughout history. They were held in the army of Sparta, the

Roman legions, the British, French and German armies.

Discipline and stamina are two of these tier one, or soldierly, values. During the British attack on Breed's Hill during the American Revolution, 2200 British soldiers in perfect formation advanced uphill against withering fire from the Colonial troops. Twice the well-disciplined soldiers assaulted, carrying their 75-pound packs in the summer heat. Finally, the soldiers ground their packs and attacked a third time, taking the hill from the Americans. Half of those British soldiers fell in the three assaults. Such actions illustrate well those first two values.

Another value is skill, technical and tactical skill which a soldier must master. Whether the soldier is a medic, a cook or an infantryman, he must be well-skilled, to include physical skills.

Certainly loyalty is a soldierly value which all armies throughout history have prized. Washington's "Ragged Continentals" at Valley Forge kept the spirit of the American Revolution alive, tested as they were in the cruel crucible of the Pennsylvania winter. Had those soldiers failed, there could have been no victory at Yorktown, and the Revolution and the Declaration of Independence would have failed. There would have been no Republic. But their loyalty held the army together.

Duty and courage are two more values. Duty is seen in a soldier's accomplishing a particular task at a particular time and place for a particular purpose. It shows responsibility and involves dependency on one another. Courage, another key value, is not the absence of fear, but the overcoming of fear. Few professions require courage like the profession of arms.

Finally, while values relate to the individual, bonding occurs among people who hold similar values. We seek to achieve bonding at the squad level, placing great emphasis on small unit tactics and operations that require individual skills and teamwork. The Vietnam Veterans' Memorial in Washington illustrates magnificently the bonding of American soldiers in combat. The statue of those three soldiers from different racial and ethnic backgrounds bears mute but unmistakable evidence of the bonding that occurs among comrades in arms.

Tier two values are those uniquely American values that set apart our soldiers from those of other countries. The origins of the American military can be traced back to the early frontier where volunteer organizations of citizens banded together for defense. That origin continues today in the American military ethic.

Von Steuben, the German general who trained our Army at Valley Forge, remarked in letters to his European friends that "American soldiers are different." The attitude of our combat soldiers in foreign lands illustrates that difference. They will share candy and laughter with the children in those lands, and have shown throughout history an unselfish, friendly and outgoing nature.

Another key difference about the American military involves the values that are a part of our Western heritage, values expressed in the Ten Commandments and the Sermon on the Mount. "Blessed are the meek," we read, "for they shall inherit the earth." This is not a power doctrine, and it has influenced American foreign policy. The Magna Carta of 1215, the English Bill of Rights of 1688, and of course our own declaration of Independence and Constitution and Bill of Rights affect and codify American values.

The emphasis on human rights and a recognition of the individual as supreme is articulated in our American documents of freedom. The Bill of Rights—the first ten amendments to the Constitution—preserves and assures our basic freedoms: freedoms of press, speech, religion, assembly, petition, the right to bear arms, trial by jury, and a host of other freedoms and rights which are a part of American society.

These values are reflected in our Army in several ways. First, of course, is the Constitutionally established civilian control of the military. Article I, Section 8 of the Constitution gives Congress the power to raise armies and navies. From the Commander-in-Chief to the Secretary of Defense to the individual service secretaries, the military answers to its civilian leadership.

Second, the American soldier operates in a military system described as a duality, or two track, system, containing both a small regular force and a larger militia or Reserve component. Those two tracks come together in our Total Army.

Finally, American values form the basis of the Uniform Code of Military Justice, the justice and disciplinary system of our military. The American soldier has rights which soldiers of other nations cannot imagine and that is because of those tier two values.

As a people and a nation, we have rejected aggression as an international policy. We have always sought peaceable resolution to conflicts, and the enormous unguarded borders with our neighbors to the north and south stands as supreme evidence that we do not stimulate or create wars with other countries. Secondly, we have never sought aggrandizement or empire through our military might. At Arlington National Cemetery is an inscription: "Not for fame or reward, not for place or for rank, not lured by ambition or goaded by necessity, but in simple obedience to duty as they understood it, these men suffered all, sacrificed all, dared all and died."

At the end of World War II, Japan and Germany had each suffered significant damage to their industrial systems and their military forces. The American government immediately extended the olive branch to our former foes and helped rebuild their shattered economies. The Marshall Plan in Europe was later incorporated into the NATO Alliance, and Germany is today, not only an industrial giant, as is Japan, but it is also a cornerstone in the Alliance as we seek to deter the Warsaw Pact.

The Army Chief of Staff, General John A. Wickham, Jr., has expressed the three dimesions of values. First are the values of the individual, that moral code that establishes right and wrong for the individual and governs activities and relationships with others. This dimension requires continual self-improvement in a broad range of skills, as the individual seeks to understand his own values.

In addition, there are values that deal with loyalty to others. This dimension recognizes that in the Army we are intimately tied to one another, that others will help you as you will help them. Such values are extremely important and comforting to the individual soldier.

The third dimension of values must be a dedication to a higher cause—God, the country, mankind. An example of such dedication occurred during the Civil War when a 19-year-old sergeant from the 2d South Carolina surveyed the carnage at the Battle of Fredericksburg. After a day of fierce fighting, the field was littered with the bodies of Union dead and wounded. Sergeant Richard Kirkland sought permission to take water to the wounded, disregarding the danger of sharpshooters still positioned opposite the Confederate line. For two hours he carried canteens of water and put overcoats on the suffering soldiers. The Union sharpshooters recognized the compassion they were witnessing and stopped firing. Kirkland's gesture was an eloquent expression of human values, commemorated in a statue at Fredericksburg Battlefield.

We are asking soldiers today three questions that relate to values: What do you want to be? Why do you want to be that? and How are you going to achieve it?

When a soldier asks "what," he or she is relating to goals, those things that the soldier values as important. Asking "why" drives the individual to use logic in defense of his choice. In a world of conflicting values and contrasting demands, soldiers should be able to explain and defend their goals. "How" demonstrates a person's values in which means are selected to attain those chosen goals. Is cheating or cutting corners a valid means to the end, or will the soldier apply himself and work hard to achieve the goals?

In a recent attitude survey conducted among recent separatees from the Army, 87 percent of those honorably discharged reported their Army experience to have been positive. Even among those separated with less than honorable discharges 79 percent responded favorably of the experience. Pride in their service to country was expressed by 95 percent of honorably discharged veterans; the same was expressed by 87 percent of those with less than honorable discharges. Remarkably, 75 percent said they gained greater independence, 85 percent gained leadership ability, 86 percent gained more self-confidence, 87 percent gained greater pride in themselves, 76 percent gained greater respect for authority and 84 percent gained better self-discipline. These are value expressions.

Next year the country will celebrate the bicentennial of the Constitution, and event of enormous national and international signficance. Those in the Army are sworn to protect and defend that document, so it is particularly important for soldiers to understand more about it.

In the Preamble to the Constitution are six preeminent American values that express what the Constitution sought, and continues, to preserve. These six are to form a more perfect union, to establish justice, to ensure domestic tranquility, to provide for the common defense, to promote the general welfare and to secure the blessings of liberty for ourselves and our posterity.

This Constitution—the oldest written constitution in the world—was described by Gladstone as "the most magnificent document ever struck off by the hand of man." The Army played an essential role in bringing that documant into being. In fact, the Constitution and our sense of nationhood was born in the American Army.

In those years immediately following the Revolution, the Army could have seized control of the country. That suggestion was actually made to Washington! But instead, the Army disbanded and the soldiers returned to civilian pursuits. They had not fought and won their independence to be subjected to a military government.

Many of these soldiers reassembled in May of 1787 in Philadelphia. The Articles of

Confederation were simply too weak for the responsibilities of the government, so a convention was called to write what became our Constitution. Forty Americans signed that document, of whom 23 had served in the Army. It was those former soldiers who gave to Congress the great powers to raise armies, to declare war and to raise taxes. It was those former soldiers who made the Army and the Executive branch the servant of Congress and the people.

After the adoption of the Constitution, those 23 continued to serve the new republic. Eleven became members of the Senate, seven members of the House (one would become Speaker), eight governors, two cabinet officers, two ministers to foreign countries and, of course, one President of the United States.

The Army has a great birthright, and this nation owes the Army a great deal for what it accomplished in winning the Revolution and in helping to establish the republic and the American values we all cherish and which we are pledged to defend.

On the Army flag are 168 streamers recognizing action from the first campaign at Boston to the rescue operation in Grenada. Those streamers are testimony to the Army's commitment that this nation shall remain the land of the free and the home of the brave. They testify that liberty shall be the birthright of all mankind.

THE FEDERAL EMPLOYEE'S HEALTH CARE FREEDOM OF CHOICE ACT OF 1986

HON. MARY ROSE OAKAR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 14, 1986

Ms. OAKAR. Mr. Speaker, today I am introducing the "Federal Employees' Health Care Freedom of Choice Act of 1986." This legislation will guarantee enrollees in the Federal Employees Health Benefits Program [FEHBP] access to licensed, qualified health providers of their choice.

I want to thank the distinguished ranking minority member of the Subcommittee on Compensation and Employee Benefits, Mr. MYERS, as well as my other colleagues on the Post Office and Civil Service Committee, Congressmen GARCIA, HORTON, SIKORSKI, and YOUNG, for being original cosponsors of this legislation. I greatly appreciate the bipartisan support for this bill.

Freedom of choice is a hallmark of the FEHBP. As the largest employer sponsored group health program in the world, the FEHBP includes over 300 plans, offering employees a wide range of options for meeting their health insurance needs.

Freedom of choice is important within plans, as well. However, those Federal employees enrolled in fee-for-service plans do not always have direct access to the qualified health providers of their choice. Currently, FEHBP plans may refuse to reimburse a licensed professional who provides a health care service, simply because that professional is not a physician.

The legislation I am introducing today requires FEHBP plans to directly reimburse qualified nurses, nurse practitioners, nurse anesthetists, clinical social workers, marriage and family therapists, and chiropractors for covered services rendered to Federal enrollees. In order to be reimbursed, these professionals must be licensed or certified as qualified providers under State law.

Expanded access to health providers increases the likelihood that FEHBP enrollees will be able to find the health care they need. This is especially crucial in areas of mental health care and primary care, in which Federal employees' health needs may not always be met. In addition, a greater choice among providers will also promote cost effectiveness within the FEHBP. Often, nonphysician providers charge fees lower than those of physicians.

Mr. Speaker, this is not the first time Congress has faced the issue of direct access to nonphysician providers under the FEHBP. Last year, Congress passed H.R. 3384, a bill which I authored to make a number of improvements in the FEHBP, including mandatory direct access. However, H.R. 3384 was vetoed by President Reagan. The President stated that the issue warranted further study, including congressional hearings. He also cautioned that a direct access policy might be contrary to State laws regulating the practice of health care.

As a result, I introduced new legislation, H.R. 4061, which included a provision directing the Office of Personnel Management [OPM] to study the feasibility of direct reimbursement for nonphysician providers and report to Congress no later than April 1. This bill was enacted on February 27, 1986.

In its study, the OPM reported that it independently encourages FEHBP insurance carriers to allow direct access to a variety of qualified health care providers. Currently, a number of FEHBP plans already permit such access to nurse-midwives, clinical social workers, chiropractors, and other providers. Furthermore, the OPM study concluded that direct access, applied programwide, would not harm the quality of health care for Federal employees and might lead to cost savings.

Following the OPM report, the Subcommittee on Compensation and Employee Benefits, which I chair, held hearings on direct access and the OPM report. Witnesses representing physician and non-physician providers testified on a direct access policy under the FEHBP.

Several concerns were raised about the possible effects of mandatory direct access. First, all witnesses agreed that a Federal law should not conflict with State statutes licensing health care providers and regulating the practice of medicine. These laws protect the quality of health care by ensuring that providers practice according to accepted guidelines and meet professional standards.

Consequently, Mr. Speaker, the legislation I am introducing today restates and strengthens current policy that Federal law governing the FEHBP shall not override State or local laws which relate to the licensing or certification to practice medicine, nursing, or another health profession. FEHBP plans will still be required to reimburse health care providers subject to laws which determine health care practitioners' qualifications and define or limit the scope of their practice.

For example, if a State law requires that a nurse-midwife practice under the supervision of a physician, then FEHBP plans must reimburse nurse-midwives according to that requirement in that State. However, FEHBP insurance plans may not impose their own requirements on practitioners in addition to those mandated by law. To do so restricts freedom of choice, inhibits competition, and denies Federal employees access to health care providers.

Second, Mr. Speaker, concerns were raised that a direct access mandate under FEHBP might raise costs, either by increasing the use of health care services, or by encouraging institutions, such as hospitals, to decouple their fees and submit separate bills for each licensed professional they employ.

It is important to remember that my legislation mandates expanded access to providers, but does not require expanded coverage for health services. Consequently, the expanded availability of qualified providers for existing health services should help to hold down health care costs under the FEHBP.

In addition, my legislation requires that reimbursement for these new providers be administered in the same way as reimbursement for current providers under the FEHBP. For more than a decade the FEHBP has required direct access to qualified optometrists and clinical psychologists. Reimbursement of these providers has operated smoothly during that time. By requiring that the same terms and conditions be applied to reimbursement of new health care providers, my legislation is consistent with existing practice. FEHBP carriers, hospitals, and other institutions will continue to follow the same financial and billing procedures as they do under current law.

Finally, Mr. Speaker, witnesses at our hearing cautioned that a direct access policy should not interrupt the operation of established health care provider teams. This concern was voiced particularly in relation to the field of anesthesia, in which care is often provided through teams of physicians and nurses. As a result, the legislation I am introducing today includes specific language to guarantee FEHBP enrollees direct access to self-employed nurse anesthetists, without interfering with the practice of anesthesia care within surgical institutions.

In conclusion, Mr. Speaker, this legislation has been developed very carefully to expand freedom of choice and promote cost-effectiveness while protecting the quality of health care. It recognizes and respects the role of States in regulating health care standards and practices. It is the result of months of study and discussion. In encourage my colleagues' support for this important reform.

OIL PRICES

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 14, 1986

Mr. HAMILTON. Mr. Speaker, I would like to insert my Washington Report for Wednesday, May 14, 1986, into the CONGRESSIONAL RECORD:

OIL PRICES

The price of a barrel of crude oil, $25 in December, recently dipped below $10 for the first time in almost a decade. Oil so cheap is an unexpected windfall for consumers. But the same plunge that benefits consumers has battered the world's oil producers and threatens future economic disruptions.

Although oil prices have been dropping slowly since they peaked at $35 in 1981, the current price collapse began when Saudi Arabia, which owns about 25% of the world's oil reserves, boosted its production last fall and flooded the market. Like the petroleum crises of the 1970s, which bashed industrial nations, the oil price drop is shifting economic power. The big losers are the world's oil-producers and banks with energy loans. The winners will be businesses and consumers in industrial nations, who will have more money to spend, and developing countries which will benefit from both lower fuel bills and increased economic activity in developed nations. The potential savings are colossal. Last year, the US spent $155 billion on oil, at an average price of $24 a barrel. At an average price of $12 a barrel for 1986, US disposable would increase by $69 billion this year, almost $600 for each US wage earner.

The most immediate effect of the price plunge is in the cost of gasoline, heating oil and diesel fuel. The drop in heating oil prices was worth about $1.5 billion to consumers. Lower prices for polyester, records and other items made from oil should appear soon. Eventually, there will be savings in the energy cost of most manufactured goods. For US auto-makers, the question is how lower oil prices will affect car-buying habits. Farmers, who use 2% of the energy consumed in the US, will save over $1 billion on fuel, fertilizer and pesticide costs this year. Cheap oil has also eased global inflation, and should lead to lower interest rates. An economy boosted by cheap fuel could cut $100 billion from the US budget deficit in the next 3 years, though lower oil prices will also reduce government tax revenues. Less costly oil imports should also cut the US trade deficit.

Lower oil prices also have drawbacks. Developing countries like Mexico and Nigeria whose economics depend heavily on oil profits are in severe financial distress, but no producer is immune. Saudi Arabia—still wealthy by any standard—has had its oil revenues drop from $114 billion in 1981 to an estimated annual average of $20 billion in April of this year. Other oil producers, from Egypt to Norway, have assorted problems. One worry is that the price war will increase tension in the Middle East, where oil revenues dropped from $200 billion in 1980 to an estimated $86 billion last year.

Growth in the U.S. from lower oil prices will be moderated by problems in the oil producing states. Texas, Louisiana and Oklahoma account for 10% of U.S. personal income, and problems there can slow growth nationally. U.S. oil companies have cut billions of dollars from their budgets, temporarily offsetting increased consumer spending. Layoffs and bankruptcies plague the oil business and industries connected to it. The national jobless rate has stayed high, partly because of the slump in the oil industry. State and city treasuries suffer from the lost revenue from taxes on energy production.

The most immediate threat to the U.S. is financial. Mexico, which owes $97 billion to foreign lenders, earns 70% of its foreign exchange from oil sales. A multi-billion dollar loss from the oil price plunge could make it nearly impossible for Mexico to meet its obligations. Nigeria, a $17 billion debtor, earns almost all of its foreign exchange from oil sales. U.S. bankers also worry about $60 billion in loans to domestic oil and gas companies, much of it to vulnerable companies. Bad energy loans have already forced the federal bailout of one major U.S. bank, and the surge of bankrupties in the energy belt could cause other banks to collapse.

The chief long-term danger is that low prices will cause a sharp drop in U.S. production and a rise in consumption, increasing our reliance on imports and eventually leading to higher prices. U.S. companies have already shut down thousands of "stripper" wells, which individually produce 10 barrels or less a day but together supply almost 15% of total U.S. production. Once closed, these wells are nearly impossible to restart. Persian Gulf countries can pump oil much more cheaply than U.S. producers since most easily accessible U.S. oil is already gone. As U.S. companies cut their exploration and drilling budgets in response to low prices, their chances of finding more oil drop. Low oil prices are also hurting the development of alternative energy sources, like oil shale, tar sands, and solar power.

We should not assume that abundant oil and low prices will continue indefinitely, and we must take steps to avoid a repeat of the long gas lines and high prices of the 1970s. Our energy security requires us to decrease reliance on unreliable oil sources and to diversify our energy sources. With conservation in the 1970s, the U.S. cut oil imports in half. Much of what we import now comes from new sources like Mexico and Britain. New U.S. cars average about 26 mpg, nearly triple 1973 car mileage. Refrigerators are about 72% more efficient than they were in 1972. Many other conservation efforts have been adopted. Another protection against an oil shortage is the strategic petroleum reserve (SPR) started in 1975. By the end of May, the SPR will have oil to last about 100 days. If we want to avoid the disruptions of the recent past, we should continue to fill the SPR, increase production efficiency and conservation, and pursue alternative energy sources like solar power and clean-burning coal.

My feeling is that the increase in jobs and wealth from falling oil prices will outweigh any negative effects in the short-term. Even a brief era of low-cost oil gives us the chance to improve our prosperity without renewing inflation. Yet we must remember the tough lessons of the past and preserve our oil independence to guarantee our future economic health. The challenge for policymakers is to balance the short-term benefits of lower oil prices against the long-term losses from greater dependence on oil imports and market disruptions.

THE SOVIET HELSINKI GROUP—10TH ANNIVERSARY

HON. ROBERT GARCIA

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 14, 1986

Mr. GARCIA. Mr. Speaker, 10 years ago this past Monday, the Soviet Helsinki Group was formed. Unfortunately, after 6 years it was disbanded because of Government pressure. Its spirit, however, remains intact. Anatoly Shcharansky's visit to the United States reminds us of the continuing struggle for all Soviet Jews and prisoners of conscience.

As chairman of the North Atlantic Assembly's Civilian Affairs Committee, I am constantly reminded of Eastern bloc violations of the Helsinki accords, and of the struggle of men like Mr. Shcharansky to expose these violations. The committee publishes a journal entitled the bulletin that monitors the accords, reporting the violations to the West.

I am inserting in the RECORD three articles from the Washington Post and the New York Times on the Soviet Helsinki Group and on Mr. Shcharansky's visit. I urge my colleagues to take a moment to read them. In addition, I can make available copies of the bulletin to my colleagues if they are interested; just contact my office.

[From the Washington Post, May 14, 1986]

A MAN NAMED YURI ORLOV

Just 10 years ago a handful of Soviet citizens put into effect a simple and audacious idea. It was the day of détente, and the Soviet government had signed a package of commitments on security, trade and human rights—the Helsinki Accords. The accords represented a rare Kremlin acknowledgment that human rights inside a state are a central element of relations between states. They asserted, moreover, a "right of the individual to know and act upon his rights and duties." On this basis, a few souls undertook to keep the world informed of how the Kremlin was delivering on its pledge.

We know how the authorities reacted to the Moscow Helsinki Group. Forced to choose between respecting their international word and asserting their authority, they asserted their authority. By 1982 the group had been decimated by harassment, imprisonment and exile. So many had been arrested, one founder, Yelena Bonner, wife of Andrei Sakharov, said this week, that "finally, when it was the annual political prisoners' day, I had to spend it all by myself." Mrs. Bonner, who was allowed to interrupt internal exile for a few months' medical treatment in the United States, was observing the Moscow Group's 10th anniversary in the company of another founder, former prisoner Anatoly Shcharansky.

Repression provoked a debate that still goes on between those who believe Moscow has undercut any valid basis for perpetuating the Helsinki Accords and those who feel, as we do, that the accords at least allow an international spotlight to be kept on Soviet abuses. This in turn feeds into another debate over whether "quiet diplomacy" or direct pressure will better bring relief to the victims of arbitrary Soviet power. President Reagan, an erstwhile direct-pressure advocate who unhappily declined to receive Mrs. Bonner last month, found a satisfactory way to split the difference between the two approaches yesterday, receiving Mr. Shcharansky privately.

In fact, there is a time and place for both approaches, and both need to be taken in the case of Yuri Orlov. A physicist who fought for his country in World War II, he as much as anyone created the Moscow Helsinki Group. In 1978 he was sentenced to seven years in prison for defaming the state—by telling the truth about its human rights policies. His life in exile to which he was subsequently sentenced was detailed in The New Yorker magazine of April 7. He lives on a small pension in a rough shed—

rat-ridden until he acquired a cat—in a remote village near the Arctic Circle. Hooligans have beat him up, and he is miles from medical care and only sparingly allowed family contacts. This is the way a supposedly proud nation treats someone who asks it to obey its own laws and international commitments.

[From the New York Times, May 13, 1986]

MR. SHCHARANSKY'S MESSAGE

To meet Anatoly Shcharansky is to understand why Soviet prisons could not crack this crystal spirit, even in "punishment cells" four meters square. A principled democrat, skilled at chess and blessed with humor, he is a well-endowed survivor. But as President Reagan will learn first-hand today, what most buoyed this renowned prisioner was the clamor without.

"All the resources of a superpower," Mr. Shcharansky told a New York rally, "cannot isolate a man who hears the voice of freedom, a voice I heard from the very chamber of my soul."

Other Soviet Jews raised their voices the moment he was taken from a Moscow courtroom in 1978 to begin a 13-year sentence for demanding the freedoms promised in the Helsinki Final Act. Western groups devoted to the Helsinki promise took up the cry. And his wife, Avital, fanned the protest to let him feel the life-supporting clamor in his cell. The message is clear: agitation matters.

Even the most despised Soviet dissenters no longer vanish without a trace, as in Stalin's time, because all-out terror finally consumed the Communist Party itself. Some rudiments of law are needed to let a modern society function and, as they are codified, have produced their prisoners of conscience.

So Mr. Shcharansky urges the world to persist in its agitation and not to settle for the private diplomacy that was the proximate cause of his own swap for Soviet spies. He urges relentless protests on behalf of other dissidents and the mistreated members of religious and ethnic minorities who seek to leave the Soviet Union, notably Soviet Jews.

But the Soviet Government, which once paid for trade and détente by allowing 250,000 Jews to emigrate, insists it will not be moved by clamor. It will at best negotiate "humanitarian" cases in back rooms. After prevailing on President Reagan to mute his criticism at last year's Geneva summit, Moscow "rewarded" him with the reunification of a few divided families; a trip West for Yelena Bonner, another of the vociferous Helsinki watchers, and finally, Mr. Shcharansky's release.

What, then, is the most humane and effective response of free societies? Mr. Reagan has kept his word and invited the Russians to make good on their implied promise. He even avoided Miss Bonner when she called at the White House, hoping that this might yet end the cruel banishment of her husband, Andrei Sakharov.

No one doubts Mr. Reagan's view of the Soviet system and he can be trusted to judge how long he should wait to test this private diplomacy. But Mikhail Gorbachev cannot command the silence of Americans at large. Mr. Shcharansky testifies that he was kept alive by sustained, informed and voluble protest, that oblivion, not the K.G.B., is the most dreadful servant of tyranny. Let Mr. Reagan negotiate as he feels he must. Let the rest of us heed the prisoners of conscience and continue to cry out.

[From the New York Times, May 11, 1986]

10 YEARS LATER, THE LEGACY OF THE MOSCOW HELSINKI GROUP

(By Jeri Laber)

It was 10 years ago tomorrow that several daring Soviet citizens got together and formed a group to monitor human rights in the Soviet Union. They knew they were courting disaster by challenging a state that tolerates no challenges, and in the decade since that day they have paid an enormous personal price for their activities. Nevertheless, even as their suffering continues, they have made a stunning contribution to the cause of freedom and peace within and between nations.

The 11 founding members of the Moscow Helsinki Group sought to profit from an ephemeral spirit of détente. They were heartened by the fact that the Soviet Government, after signing the Helsinki Final Act in Finland in August 1975, had published the full text of the agreement—with its explicit commitment to human rights—in Pravda and Izvestia. They saw in the Helsinki accords a guarantee of their right to speak out in defense of their beleaguered countrymen.

Yuri Orlov, the 51-year-old pipe-smoking physicist who became chairman of the group, had curly red hair, a freckled complexion and a youthful, energetic style. More idealist than ideologue, he envisaged a movement for human rights involving citizens in each of the 35 countries that had signed the Helinski accords. He was arrested nine months after the group was founded and served seven years in a labor camp. One photogrpah, sent from the miserable hut where he is now living in Siberian exile, shows a transformed man—white-haired with a haggard, ravaged face, aged not by time but by the suffering that he has endured in a manmade hell of physical cruelty and broken dreams.

The Moscow Helsinki Group lasted little more than six years, until it was disbanded under pressure in September 1982. The 22 men and women who officially joined its ranks, some courageously signing up even as others were being arrested, have all been punished for the "crime" of defending the rights of others. Nine are now in the West. Twelve have been tried and sentenced for their activities, and seven of them are still in prison or in internal exile, along with some 30 other monitors from other Helsinki groups formed in the image of the Moscow Group. The Moscow Group included people whose names are known in the West—like Yelena Bonner, Aleksandr Ginzburg and Anatoly B. Shcharansky—but also others less known, like Tanya Osipova and her husband, Ivan Kovalyov, a couple now in their 30's who are spending their youth in labor camps, separated from each other and the world.

In its brief existence, the Moscow Helsinki Group published 195 well-documented reports on human rights abuses within the Soviet Union. And although it has been formally disbanded, its work continues today, as courageous men and women continue to send reports of human rights violations to the West. Working clandestinely and at great personal risk. The group's achievements also go beyond the actual work it produced.

The Moscow Helsinki monitors dramatized the Helsinki accords, giving them life through personal sacrifice. They thus effectively transformed the Helsinki agreement, which includes provisions about security and economic cooperation, into a human rights document.

They launched a Helsinki movement that spread to other countries—to Czechoslovakia and Poland, where persecuted Helsinki groups persevere to this day, and to the West, where there are now Helsinki monitoring groups in some 10 countries.

They drew worldwide attention to the link between the promotion of peace and respect for human rights. As a result, Western governments came to see that a country's oppression of its own citizens is not an "internal matter" but one that directly affects international trust and understanding.

They helped make human rights an issue in East-West relations and a significant factor in United States foreign policy around the world.

Most important, the Helsinki monitors demonstrated that a basic desire for free expression and individual rights has not been stifled in the Soviet Union, even among a generation raised under totalitarianism. They endowed the human rights movement with moral dignity. By viewing "Helsinki" as a symbol of hope, they made it a force for freedom and for peace.

A CARDINAL UNDER FIRE

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 14, 1986

Mr. LAGOMARSINO. Mr. Speaker, a report in the May 12 issue of Time magazine describes the continuing clash between the Catholic Church under the leadership of Cardinal Obando y Bravo and the Communist Sandinista regime in Nicaragua. I urge my colleagues to consider carefully the Sandinistas campaign of repression and abuse against the church and its disciples in Nicaragua.

A CARDINAL UNDER FIRE

(By William R. Doerner)

SANDINISTAS AND THE CHURCH ARE LOCKED IN A CLASH OF WILLS

Shortly before fleeing into exile in 1979, Nicaraguan Dictator Anastasio Somoza Debayle erupted in fury over what he regarded as the complicity of the Roman Catholic hierarchy in the Sandinista revolution. In particular, said Somoza, Archbishop Miguel Obando y Bravo of Managua should receive the new title of "Comandante Miguel." In fact, six years of increasingly harsh rule by the Marxist-oriented Sandinistas has brought Obando new prominence—and, indeed, notoriety. In 1985 Pope John Paul II elevated him to the College of Cardinals. He has emerged, in the eyes of Nicaragua's rulers, as their toughest critic. Foreign Minister Miguel d'Escoto Brockmann, himself a suspended Catholic priest, recently charged that Obando is "the principal accomplice of aggression against our people."

That accusation was the strongest yet in a deepening test of wills between Nicaragua's left-wing government, which besides d'Escoto includes two other Catholic priests of Cabinet rank, and the country's mainline church, in which 85% of Nicaraguan citizens profess membership. In proclaiming a state of emergency that suspended most civil rights last October, President Daniel Ortega Saavedra cited as its principal cause the security threat posed by the U.S.-supported contra forces poised on Nicaragua's borders.

But many Nicaraguans believe that the directive was largely aimed at curbing the power of the church. Obando labeled the decree a "step toward totalitarianism."

That stung the Sandinista leadership. It was a prescient observation. One of the government's first steps was to move in on a new church-sponsored group called the Justice and Peace Commission, whose aim was to defend human rights. Marta Patricia Baltodano, a lawyer and longtime human rights activist who helped organize the commission, asserts that she learned of a Sandinista plan to discredit her by forcing an accuser to claim falsely that she had engaged in sexual relations with a priest. Baltodano fled to exile in Costa Rica last December. "We realize we were not going to be able to continue working," she says. "There was too much repression."

The crackdown was in part aimed at Obando. Broadcasts of his sermons, which were yanked from government television six years ago, were banned in January with the forced shutdown of Radio Católica, the church station. The Sandinista emergency decree prevents anyone from holding unauthorized outdoor public gatherings, the setting that the Cardinal frequently chose for celebrating Mass in his travels through the countryside.

It is not difficult to see why the Sandinistas are so anxious to keep a tight rein on Obando. At a May Day Mass last week, the Cardinal used his homily to defend the right to strike, which was among the guarantees suspended in October. He warned sternly that "Marxism does not have the solution for the working class." In the past Obando has attacked Nicaragua's unpopular universal military draft and urged young men to enter seminaries as a way of avoiding it. He has urged the government to negotiate with the contra rebels and declined to condemn the Reagan Administration's effort to provide the guerrillas with $100 million in U.S. funding, a stand that prompted d'Estcoto to label the Cardinal a traitor.

Obando has drawn sharp criticism, not only from radical priests in the government but also from their religious followers. A breakaway church faction, strongly influenced by Marxist-leaning "liberation theology," claims about 20 of Nicaragua's 327 priests and perhaps as many as 50,000 followers, including some members of Nicaragua's "base communities," mostly poor, urban religious groups without priests. The breakaways find the Cardinal's anti-Communism counterproductive and are put off by his insistence that the church, while obligated to take moral positions, must refrain from active political engagement. "The Catholic institution here is folkloric," says the Rev. Miguel Angel Casco, co-director of a progovernment religious think tank. "The revolution cannot make the new man without the church."

Rome has repeatedly placed its support behind Obando. But even without the Vatican's backing, it is doubtful that the Cardinal would turn to political activism. Born to Indian peasant parents in the south-central department of Chontales, he joined the Salesian order and became known as a priest to the poor, riding through rough country on horseback to visit impoverished backwoods villages. Though he has unquestionably gained stature in the course of his showdown with the Sandinistas, Obando remains a humble man, reluctant to venture far into the power game. "We, the bishops and the priests, shouldn't mix the church with party positions," he said last week in an interview with Time. "It will divide the church. It is not our role."

In the increasingly tense political climate of Nicaragua, however, it is becoming more difficult to say what that role should be. Some Catholics urge the Cardinal to try harder to heal the Nicaraguan church's internal rift, which in turn might lessen tensions with the government. Others advise him to speak out against repression even more forcefully. Says Activist Exile Baltodano: "The government of Nicaragua is still sensitive to international pressure." Considering the irreconcilable forces at play, continued confrontation between Obando and the Sandinistas seems virtually inevitable.

U.S.S. "MISSOURI" RECOMMISSIONING ADDRESS: THE WORLD IN 1945

HON. IKE SKELTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 14, 1986

Mr. SKELTON. Mr. Speaker, this past Saturday I had the pleasure of being a participant in the recommissioning ceremony of the U.S.S. *Missouri* in San Franciso, CA. At that time, this historic ship was put back into the active fleet and will be a major part of our naval sea power. Margaret Truman Daniel, the original sponsor of this ship at its christening in 1944, was present and made an excellent address. I include my remarks at the recommissioning ceremony herewith:

U.S.S. "MISSOURI" RECOMMISSIONING CEREMONY ADDRESS: THE WORLD IN 1945

Today we are gathered on the deck on this historic ship to participate in an important occasion—the recommissioning of the U.S.S. MISSOURI. This ship is named after a state that was settled by the westward moving pioneers of the early 1800's—a state that has never lost its pioneer spirit.

On September 2, 1945, the most destructive conflict in man's long history ended with a brief 23-minute ceremony that took place on board this ship—on these very decks. That was almost 41 years ago, half a world away. At the conclusion of those proceedings in Tokyo Bay, General Douglas MacArthur gave voice to the fervant hopes of all Americans, "Let us pray that peace be now restored to the world and that God's will preserve it always."

On that September morning, America stood supreme in the world. Not only had she been victorious in war but she was the only major power that had been spared the great destruction that comes with war. As a result, the United States stood as the world's only military and economic superpower.

The disaster that befell the Pacific Fleet on December 7th, 1941, not only marked the entry of the United States into the Second World War, but even more important, it signalled the coming of age of the American Republic on the world stage. On that bright Sunday morning events finally forced America to take upon herself the role of world leader. Since then she has played a very large role in the affairs of the world. After the surrender ceremony in Tokyo Bay she did not repeat the mistake made a generation earlier when the United States withdrew from center stage. America had learned the hard and tragic lessons: isolationism did not guarantee peace; appeasement only encouraged dictators.

After the defeat of the Axis powers the United States initially placed its faith in the idea that a well-constructed global organization could and would ensure peace forever. The recent past had proved to many that America's reluctance to join the League of Nations after World War I had been a terrible mistake.

From the beginning, however, the United Nations included countries that did not cherish democratic values and that were not ready to forego the use of force in their own foreign policy. It soon became apparent that victory had not brought peace, but rather the specter of Soviet Communism threatening a prostrate Western Europe. The beginning of the Cold War foiled the cherished hopes of those who wanted to assure America's security and the peace of the world through the Charter of the United Nations.

Through the policy of containment the United States successfully resisted the Soviet threat to Europe. The doctrine that President Harry Truman proclaimed, soon to be associated with his name, provided military and economic aid to Greece and Turkey. It was soon followed by the Marshall plan, which provided economic relief to our devasted European allies. Finally, the signing of the North Atlantic Treaty in 1949 committed the United States to the defense of Western Europe.

We had learned from our mistakes made after the First World War. We remained fully involved in the events of the world and firmly resisted Stalin's efforts to undermine European stability. Idealism tempered by a realistic appreciation of the forces at work in the world has enabled the United States to play a positive role in the post-war era.

THE WORLD IN 1986

The world in 1986 is filled with both peril and promise. Taking the long view of history we realize that this is nothing new. It is, however, more dangerous than the world of 1945. Ours is the nuclear age and the hazards are unprecedented and keenly felt. Thousands of nuclear weapons fill the arsenals of the United States and the Soviet Union. There is much unease in this country and especially in Europe about relying on these weapons of mass destruction to maintain the peace. Yet the paradox of the nuclear age is that Europe has experienced the longest period of peace in its history, partially because of the existence of such weaponry. Somehow, the old Roman maxim continues to apply in the nuclear age—if you want peace prepare for war. Weakness, not strength, encourages potential aggressors.

The postwar period has been an era of peace—albeit a hard and bitter one. We are involved in "a long twilight struggle" against those forces that seek to undermine and ultimately destroy our democratic order. This is especially true of the fight against terrorism. These are challenges that we will continue to face for years to come for which there are no easy alternatives or solutions. As Army Vietnam veteran Chad Colley told me, a man who had lost one arm and both legs, "there is nothing free about freedom".

APPRECIATION OF THE U.S. NAVY

The importance of the US Navy in this struggle cannot be underestimated. On the decks of this very ship during Navy Day ceremonies in October 1945 President Truman stated the enduring truth of the United States seapower: "Control of our sea

approaches and of the skies above them is still the key to our freedom and to our ability to help enforce the peace of the world."

The sea has always given man inexpensive transport and ease of communication over long distances. During the 19th century Britain's Royal Navy assured the survival and prosperity of that island nation. In the last quarter of the 20th century the US Navy fulfills that task not only for our country but for the entire community of Western nations.

You men, bluejackets and officers alike, will soon put to sea on board this magnificent ship. You more than most understand the sacrifices required to uphold the freedoms we cherish. Six month separations from loved ones, standing the mid-watch during the cold months of winter, and dangerous underway nighttime replenishments are but some of the inevitable experiences that await you. On the various deployments that you will soon make you will practice those skills that may be put to use in some distant corner of the globe.

Yours is a sober task but one to which you will bring professionalism, intelligence, and steadiness of purpose. This nation of ours has put a sacred trust in your care. Guard it well. Let me also add that this nation of ours is very fortunate to have men such as you. The sacrifices of sailors willing to go to sea and assume such heavy responsibilities are not well appreciated in our society. Even less appreciated are the sacrifices of Navy wives. To the wives and families of the men who go to the sea in ships let me also express a heartfelt thanks. Your support is crucial to the wellbeing of these men and to our country as a whole. I would not be wrong in saying that as a group sailors in this period of violent peace have the most demanding duty of the four services. At this very moment there are American warships sailing the seven seas. Far from home, day in and day out, the men on board those ships are helping to defend the freedoms of our Western civilization.

Your officers and men of the U.S.S. *Missouri* will do your duty much the way former generations of sailors did theirs on this same ship and its three namesakes. As you prepare to get under way and sail the seas to protect our freedoms, you will carry the pride of the people of the great state of Missouri, as well as the pride of all Americans.

AMERICAN FLAG PRESENTATION

As Missouri's only member of the House Armed Services Committee and an early supporter of the Navy's efforts to bring these modern warships back to active service, I take a special measure of satisfaction in today's proceedings.

On September the 17th 1928, at another ceremony similar to this one the town-fathers of my home town in Lexington, Missouri, dedicated a monument to the Pioneer Mothers of the West. A principal speaker on that occasion was a World War I Army veteran, Judge Harry S Truman. At that ceremony, my father, a World War I Navy veteran who had served aboard the U.S.S. *Missouri* of that era, gave a speech and presented an American flag to be flown on a flagpole beside that Pioneer Mother statue.

Today, this son of that World War I sailor, in the presence of the daughter of that World War I soldier, presents an American flag which has flown over the Capitol of the United States to the Captain of this ship.

Captain Kaiss, I take great pleasure in presenting to you this American flag for the officers and men of the U.S.S. *Missouri*. With it go our hopes and prayers for all who sail on this great ship. (Flag presented to Captain Albert L. Kaiss, Commanding Officer, U.S.S. *Missouri*.)

PROBLEMS WITH THE ACID RAIN CONTROL BILL, H.R. 4567

HON. THOMAS A. LUKEN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 14, 1986

Mr. LUKEN. Mr. Speaker, last week 4 days of hearings on H.R. 4567 were concluded. The following is a summary, which I commend to the attention of those who sponsored it or are considering cosponsorship, of the principal concerns about the bill:

SUMMARY OF SOME OF THE PRINCIPAL ISSUES OF CONCERN REGARDING H.R. 4567 IDENTIFIED AT SUBCOMMITTEE HEARINGS

SULFUR DIOXIDE (SO_2) EMISSIONS ARE DOWN

On April 22, 1986, EPA published its "National Air Quality and Emissions Trends Report, 1984" on national progress "in cleaning up" major pollutants from 1975 to 1984. The report states that: "Ambient levels of SO_2, which can irritate the upper respiratory tract and cause lung damage, have decreased 36 percent." To our knowledge, all States, including those heavily hit by H.R. 4567, are in compliance with the National Ambient Air Quality Standards.

STATIONARY SOURCES—UTILITIES

Issue: No Targeting of Acid Deposition Area—H.R. 4567 is a nationwide SO_2 emission reduction bill. By 1997, it, together with other State actions under existing law, including some already taken, is expected to cause a substantial reduction (about 10 million tons) of SO_2 from 1980 levels. But H.R. 4567 will not assure reductions in the so-called "threatened" or "actual" acid deposition areas in the northeast, Canada or in Florida.

The most recent study by the National Research Council of the National Academy of Sciences (March 1986) defines (for purpose of analysis of "spatial patterns and temporal trends") six specific geographical regions of Eastern North America "established as contiguous groups of states and provinces" that in the council's judgment "have experienced similar temporal SO_2 emissions over the past 50 years". Three are:

(Northeastern U.S.): Ct., De., Me., Md., Ma., N.H., N.J., N.Y., Pa., R.I., Vt.

(Southeastern U.S.): Ala., Ark., Fla., Ga., Ky., La., Ms., N.C., S.C., Tn., Va., W.Va.

(Midwestern U.S.): Ill., Ind., Mich., Mo., Oh.

(North central U.S.): Ia., Mn., Wi.

The result is that "trends in environmental indices appear to respond to trends in sulfur emission on a regional basis." In short, long-range transport is not "necessarily unimportant" (indeed, interregional transport near the boundaries of the regions "will be important"), but the regional aspects (i.e., local regional sources) are more important.

There are no provisions in H.R. 4567 aimed at recognizing these trends.

Issue: H.R. 4567 will cause Job Losses—In both phases of the bill, the emission rates will require a mixture of switching from high sulfur coal to low sulfur coal or scrubbers. The choice will be primarily in the hands of the Governors. Coal State Governors may choose scrubbers over switching. But non-coal State Governors may not.

To the extent coal switching occurs, the bill will undoubtedly trigger early termination of existing long-term 20-30 years coal contracts, using "force majeure" clauses which are disruptive and result in *job loss*. Many such contracts expire nationally late in the next decade or later.

The United Mine Workers say that H.R. 4567 will result in displacement of about 130 million tons of annual coal production with the loss of 38,000 direct coal mining jobs. That loss will be on top of job losses already occurring in this industry. It will be harmful economically to communities and will have a ripple effect on small business. Because of the historical nature of coal mining, miners will not move from the East to the West or even to low sulfur mines in the same State (which, in the case of West Virginia and Kentucky, are already in trouble due to job losses).

Also, coal switching could result in increased coal exports from foreign countries, such as Columbia and South Africa which now supply coal to U.S. That means exporting jobs.

In a May 8, 1986 letter to the Subcommittee, the United Mine Workers President, Mr. Trumka said:

The UMWA completely rejects the notion that no one is harmed if coal production is displaced. Real harm will have been done to people who have productive jobs today. Even if you choose to ignore these people, however, and look only at the "net" effect, you still will find that coal miners will suffer. Using ICF's projections, we calculated the regional employment effects of H.R. 4567. The net effect would be the loss of 9,000-14,000 coal mining jobs.

Issue: Emission Rates of 2.0 and 1.2 lb. per million Btu—These rates may not be unreasonable, except that some States are hit hard under the 2.0 level while others escape until the 1.2 level. That is troublesome because later evidence could result in Congress (under the bill) cancelling the second level requirement. The States hit and not hit under the 2.0 level (using OTA's April 9, 1986 table) are:

States hit by 2.0 reduction rate

	Percent of total reduction
Alabama	16
Arkansas	9
Delaware	21
Georgia	33
Illinois	26
Indiana	44
Iowa	13
Kansas	10
Kentucky	45
Maryland	9
Massachusetts	16
Missouri	53
New Hampshire	33
New Mexico	7
New York	1
Ohio	43
Pennsylvania	20
South Carolina	3
Tennessee	45
Virginia	1
Washington	10
West Virginia	29
Wisconsin	36
Wyoming	27

STATES NOT HIT BY 2.0 REDUCTION RATE

Arizona, California, Colorado, Connecticut, Washington, D.C., Florida, Idaho, Lou-

isiana, Maine, Michigan, Minnesota, Mississippi, Montana, Nebraska, Nevada, New Jersey, North Carolina, North Dakota, Oklahoma, Oregon, Rhode Island, South Dakota, Texas, Utah, Vermont.

The reductions for Ark., De., Ma., N. Mex., Va., and Wyo. probably will not result from the bill, according to OTA, but from other State actions taken before 1993.

Many States will be hit under both phases and utilities could be required to take action in both which adds to the cost.

If the program continues into phase II (*i.e.*, the 1.2 level), the following States will, according to OTA, probably *never* be hit: Az., Ca., Co., Ct., D.C., Ia., La., Me., Nv., N.J., Ok., Or., R.I., Tx., Ut., and Wa.

Issue: Annual vs. Monthly Emission Rates—H.R. 4567 establishes emission rates on an average rather than an annual basis. That has the effect of ratcheting down the emission rates so that instead of voting for a 1.2 statutory level you are really voting for a 1.0 level. Further, a monthly rate does not provide for seasonal factors, emergencies, or scheduled and non-scheduled outages of nuclear or hydro facilities. Monthly averages may make "economic dispatch" of electricity (which is a common utility practice) difficult to follow.

Issue: Deadlines of January 1993 and January 1997 do not allow for Clean Coal Technology—Congress, the utilities, and the Administration have embarked on a Clean Coal Technologies program which could remove both SO_2 and NO_x. Fed believe that the program will yield benefits until the mid 1990's. Commercialization probably will not be available before 1993 and maybe not in time to meet the 1997 deadline. The bill ignores that program. The bill will divert utility money away from this program and possibly contribute to its delay or, even worse, demise.

Issue: Inadequate time to Prepare and Approve State Plans, No Public Participation Required at any Level—The bill requires all the States to submit plans to EPA to implement emission rates within 18 months after enactment. EPA then has six months to approve or disapprove all such plans. No guidance is provided to the States as to what are approvable plans. There is no public participation. The bill is silent on the process for approval.

Issue: Failure of States or EPA to Meet Plan Deadlines Triggers Costly Default—Under the bill, if a State fails to submit a plan on time (*i.e.*, within 18 months after enactment), or if EPA fails to approve a plan on time (*i.e.*, within 24 months after enactment),—and either possibility is very real—then the bill specifies a default provision. The default eliminates the Statewide bubble and requires "each fossil fuel fired electric utility steam generating unit in the State shall comply" with the monthly emissions rate specified as follows:

The reductions for Ark., De., Ma., N. Mex.,

Pollutant	Applicable date	Emission rate
Sulfur dioxide	Jan. 1, 1993	2.0
Sulfur dioxide	Jan. 1, 1997	1.2
Oxides of nitrogen	Jan. 1, 1997	.6

Issue: No Limitation on Rates of Residential, Industrial, or Commercial Customers—The bill does not limit rate increases for any class of rate-payers. The rate impact on industrial and commercial customers has not been established. Rates of more than 10 percent are likely in many utility service areas for even residential customers.

Issue: A Technology To Control NO_x by 1997 Does Not Exist—EEI has raised valid questions for some pre-NSPS utility boilers whether the technology will be available in 1997 for utilities to meet on a Statewide bubble basis a 0.6 lb/MBtu average monthly emission limitation. These have not been witnesses to discuss this technology and its status. If default occurs, they could not do so on a unit-by-unit basis. Costs for NO_x controls have not been estimated.

Issue: Interest Subsidy Probably Not Workable and Inadequate in Any Event—The bill provides that fees be used to subsidize interest on debt for purchased and installed technology if residential rates increase over 10% due solely to installation and purchase of technology O&M costs cannot be considered or subsidized. The increase from debt alone will not result in utilities being eligible. Thus, the subsidy is illusory.

Issue: No Provision for Mid-Course Correction—The bill calls for EPA study by June 1993 of achievements under Phase I and allows six months for Congress to pass new law to specify that Phase II "not take effect." EPA and States have no authority to make corrections, as recommended by the States.

STATIONARY SOURCES—NON-UTILITY INDUSTRIES

Issue: Bill Expands Universe of Controls to Existing Industrial Boilers—H.R. 4567 requires new regulatory controls to a vast array of industries to limit by 1997 SO_2 emissions to a average monthly rate of 1.2 lbs/mBtu of heat input and NO_x at 0.6 lbs/mBtu of heat input. Can industry meet these limits? The hearing records leave serious doubts. Some types of industrial facilities facing these controls (some of which are found in every State) are:

Natural gas processing plants, Refineries, Chemical plants, Metal rolling and finishing plants, Glass making plants, Hazardous waste incinerators, Cement plants, Incinerators, Flour mills, Gas turbines, Paper making, Facilities producing ethanol from grain or methanol from biomass, Offshore oil and gas exploration and production facilities, Enhanced oil recovery steam generation facilities, Cokers, calciners and drying plants, Metal ore smelting, refining or processing plants, Thermal drying units for coal processing, Biomass industrial boilers.

Issue: Industrial Process Emission Requirement is Vague—The bill requires EPA to identify total statewide potential reductions of SO_2 and NOx industrial process emissions that are "economically and technically achievable" by the end of 1996 and requires States to submit plans by 1994 to control those emissions. The bill provides no guidance to EPA. One witness asked "is this an affordability test." No one knows. The cost has not been estimated or the effect on competition from foreign sources.

STATIONARY SOURCES—SMELTERS

Issue: Bill Tightens Exceptions in Law for Smelters—H.R. 4567 tightens present Clean Air Act exceptions requiring smelters to be in compliance with emissions requirements by January 1988 or shutdown. There are at least two smelters in Arizona that would be affected. EPA issued a proposed decision last month on one and the State is considering the other. There were no witnesses from the affected industry regarding these provisions. We do not know their impact or need.

MOBILE SOURCES

Testimony shows that automotive emissions have been reduced by 96 percent for hydrocarbons (HC) and carbon monoxide (CO) and 76 percent for NOx. Since 1981, there have been strict controls for automobiles. Present EPA regulations also control truck emissions. H.R. 4567 seeks to tighten even more mobile source standards by raising the price of vehicles.

Issue: Bill Imposes Part, But Not All, of California Standards on Passenger Cars—Under the Clean Air Act, California can impose a stricter standard for NOx emissions from passenger cars of 0.7 grams per mile (gpm) beginning with model year 1989 which will reduce NOx emissions by 0.3 million tons in 1997. The Federal NOx standard is 1.0 gpm. Under this standard, NOx emissions from passenger cars will be reduced by 0.5 million tons between 1995 and 1997. Chrysler and Ford testified that California has a higher CO standard of 0.7 gpm. (The Federal standard is 3.4 gpm.) Chrysler said: "Meeting 0.7 NOx with the Federal 3.4 CO standard has never been done, and represents a difficult technical challenge, requiring both higher precious metal loadings and more expensive engine control systems. If 0.7 NOx is really needed, serious consideration should be given to adopting the current California CO standard."

Issue: The Precious Metals in Rhodium and It Comes Solely From Russia and South Africa—One of the precious metals used in 3-way catalysts is rhodium. The only significant sources of this metal, which is a by-product of platinum, are Russia and South Africa. It is said that rhodium "reserves" (i.e., underground) is about 72 million troy ounces with 68 million troy oz. in South Africa. Technology to recycle the metal has not been developed. The U.S. auto industry accounts for 50% of the rhodium demand. European countries that do not have standards nearly as stringent as the U.S. standards are moving to tighten them and will be requiring rhodium. This will increase the price, which is already high (i.e.,).

Issue: Bill Sets New Unattainable Heavy Duty Gas-Powered Truck Standard for Model Year 1988—H.R. 4567 adds to present standards a new 1.7 grams per break horsepower-hour (g/bhp-hr) for heavy-duty gasoline-powered trucks for model year 1988 which begins in September 1987. EPA's standard for these trucks is 6.0 g/bhp-hr for MY 1988 and 5.0 g/bhp-hr for MY 1991. The technology to achieve a more stringent standard does not exist. Indeed, on March 15, 1985, EPA, in discussing the 6.0 and 5.0 standards, said "most engines could not comply with a 4.0 g/bhp-hr standard" for MY 1990 "without incurring excessive costs and unreasonable fuel economy penalties." EPA noted that a 4.0 standard would force a 3-way catalyst for these trucks and said:

"The cost of adding three-way-catalyst systems to gasoline-fueled heavy-duty engines would dramatically alter this balance, with the possible effect of forcing at least some gasoline-fueled engines out of the heavy-duty market. Yet the additional reductions in NOx emissions would be insignificant, and the gasoline-fueled engines sales lost would be gained by diesel models that would be permitted higher NOx emission levels. Thus, the benefits of the NOx reductions attributable to such control of gasoline-fueled engines, already slight, would tend to be eliminated. Therefore, EPA is promulgating common NOx standards for both engine types."

EPA also objected to setting different NOx standards for gasoline-fueled and diesel-fueled heavy-duty engines, saying this is "not appropriate."

Issue: Bill Adopts Other EPA-Issued Standards With Changes—The bill purports to merely restate present EPA standards for trucks. But that is not the case. The bill differs from the EPA standards at a time when foreign and domestic manufacturers are certifying or getting ready to certify their vehicles. It will cause an entire new rulemaking, creating uncertainties for the industry. One must ask: "If the EPA regulations 'ain't broke,' why fix-em"? The witness for the Automobile Importers of America, Inc., said:

"Added to the uncertainty associated with this bill are the proposed emission standards in S. 2203, which are virtually impossible to meet under any circumstances, but especially in the time frame provided in that bill. The double impact of H.R. 4567 and S. 2203 could lead to catastrophic consequences for vehicle manufacturers."

Issue: Bill Tells EPA to Issue Regulations on Stage II or On-Board Controls—EPA is currently examining the issue of the health effects of vapor emissions in refueling vehicles, including the issue of volatility of gasoline. It is a complex and difficult issue, as discussed by the General Accounting Office in a December 1985 report.

Despite the complexity, H.R. 4567 tells EPA to issue "nationwide" regulations six months after enactment requiring EPA to adopt a so-called "Stage II" refueling program at the gasoline pump or require on-board controls in "motor vehicles" manufactured in MY 1989. Either requirement may or may not be necessary and this provision ignores the numerous technical and safety issues, as well as the relation of volatility of gasoline. EPA has the authority to deal with the problem. It is doing it. EPA does not need this directive which has nothing to do with acid rain controls.

(Prepared by the Staff of Congressmen Luken and Madigan.)

AMERICAN SAMOA'S ATTORNEY GENERAL DELIVERS SPEECH AT THE UNIVERSITY OF SAN DIEGO

HON. FOFO I.F. SUNIA

OF AMERICAN SAMOA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 14, 1986

Mr. SUNIA. Mr. Speaker, I would like to include in the RECORD for my colleagues' review the speech that the Attorney General of American Samoa, the Honorable Leulumoega Su'esu'e Lutu, delivered at the University of San Diego on Monday, February 3, 1986, at a meeting of the Commission on the Bicentennial of the U.S. Constitution. In his address, the Attorney General reviews the legal status and history of American Samoa and touches on two amendments to the U.S. Constitution that will, he believes, bring greater fairness to the people of American Samoa, the right to vote for electors of the President and Vice President and a vote on the floor of the House for its Member of Congress.

Herewith are Mr. Lutu's remarks:

SPEECH OF LEULUMOEGA SU'ESU'E LUTU

At the request of my Governor and Congressman, I have the distinct pleasure and high honor to represent the Government and people of American Samoa, the only soil under United States sovereignty South of the Equator. Lying 4,150 miles southwest of San Francisco, my territory has an area of seventy-seven square miles. We have seven principal islands, of which six are inhabited, and have a population of 35,300. U.S. Department of Commerce, Bureau of the Census, July 1984.

In February 1900 the United States received all rights and claims over the Eastern Islands of Samoa. Treaty of Berlin, 2nd December 1899, United States-Germany-United Kingdom, 31 Stat. 1878 (1900). In April 1900 the Chiefs of Tutuila and Aunu'u ceded to the United States their sovereignty of those Islands. In July 1904 the King of Manu'a did likewise for his islands. Ever since, American Samoa has been an unorganized, unincorporated territory of the United States. As it does not have an organic act, it is unorganized; as the corpus of the United States Constitution does not apply to American Samoa, it is unincorporated.

In American Samoa, as in all unorganized territories of the United States, Congress has the entire dominion and all sovereignty; it can exercise full legislative power, as it determines. Simms v. Simms, 175 U.S. 162, 168 (1899). Congress has the "power to dispose of and make all needful rules and regulations respecting the territory" of American Samoa. U.S. Const. art. IV, Sec. 3, Cl. 2. For American Samoa, Congress wished to delegate some of its functions to the local legislature, the Fono, and to another branch of the United States Government, the executive. 48 U.S.C. Sec. 1661 (c) (1952 & Supp. 1985). Those functions now vest in these entities except as Congress may further limit. Bimms v. United States, 194 U.S. 486, 491 (1904); Walker v. New Mexico & S.P.R. Co., 165 U.S. 593, 604 (1897).

The President has further delegated his authority from Congress. Until July 1951 the Secretary of the Navy administered American Samoa on behalf of the President. Since that date the Secretary of the Interior has done so. However, in December 1983 Congress returned to itself the power to amend or modify the revised Constitution of American Samoa of 1967. Act of 8th Dec. 1983, Pub. L. No. 98-213, Sec. 12, 97 Stat. 1462 (1983), 48 U.S.C. Sec. 1661 (a) (Supp. 1985).

Shortly after the United States first acquired sovereignty over American Samoa in 1900, the Supreme Court decided the landmark insular cases. In these cases, the Court recognized that the acquisition and government of outlying foreign territories involve unique sovereign powers and that the exercise of such powers must take into account "differences of race, habits, laws, and customs." Downes v. Bidwell, 182 U.S. 244, 283 (1901). Although the insular cases have been subject to subsequent interpretation, the Supreme Court has continued to acknowledge that the Constitution cannot be rigidly applied in the case of unincorporated territories, such as American Samoa, which have "wholly dissimilar traditions and institutions from the continental United States." Reid v. Court, 3 54 U.S. 1, 13 (1957).

Consistent with the need to respect the traditions and institutions of unincorporated territories, the United States has undertaken to protect and preserve the native customs of American Samoa, including the land tenure system which is the cornerstone of Samoan culture. In the instruments through which it obtained sovereignty over American Samoa, the United States agreed to "respect and protect the individual rights of all people * * * to their lands and other property. Cession of Tutuila and Aunuu, April 17, 1900. The United States also promised "That the rights of the chiefs in each village and of all people concerning their property according to their custom shall be recognized." Cessation af Manu'a Islands, July 14, 1904.

The responsibility for adapting U.S. constitutional principles to American Samoan society was initially vested in the Navy Department and was transferred to the Interior Department in 1951. Both departments have followed basic constitutional principles by fostering democratic self-government and by creating local governmental institutions which can apply constitutional requirements in harmony with local conditions.

In 1931, the naval governor of American Samoa promulgated a bill of rights, and similar rights were incorporated in the initial Constitution of American Samoa approved by the Secretary of the Interior in 1960. The current revised Constitution of American Samoa provides fundamental guarantees of freedom of religion, speech, press, assembly, and petition; as well as protection against unreasonable searches and seizures and against deprivation of life, liberty, or property without due process of law. The territorial constitution also prescribes the rights of an accused. limits the quartering of militia, bars involuntary servitude and imprisonment for debt, and prohibits bills of attainder, ex past facto laws, or the impairment of contracts. Revised Constitution of American Samoa, art. I, sec. 1, 2, 5, 6, 7, 8, 9, 10, 13.

In addition, our Constitution provides for the preservation of traditional Samoan culture. It establishes an express policy of protecting native Samoans against alienation of their lands and destruction of the Samoan way of life and language. The constitution also authorizes the enactment of legislation to protect the lands, customs, culture, and traditional family organization of native Samoans. Id., art. I, sec. 3.

The constitution vests the power to make laws in the territorial legislature, which was first established by the naval administration in 1948. The legislature, consisting of a Senate and a House of Representatives, reflects a balance between representative democracy and traditional Samoan culture. Members of the lower House are chosen by popular election, and Members of the Senate are selected in accordance with Samoan custom. Id. art. III, sec. 4.

Constitutional democracy in American Samoa was further strengthen in 1978 by an amendment to provide for a popularly elected Governor and Lieutenant Governor. Historically, these officials were appointed by the Navy and Interior Departments. The amendment providing for popular election was adopted in response to a referendum in which the voters of American Samoa expressed a desire to elect their Governor and Lieutenant Governor.

In the judicial field, the High Court of American Samoa has a long tradition of independence and integrity. The Court is highly respected by the people of American Samoa as a guarantor of their rights and as a protector of their heritage. In addition to its repsonsibility to hear normal civil and criminal matters, the High Court has jurisdiction over the most sensitive and important issues in Samoan custom—the resolution of disputes regarding chiefly titles and rights in native lands.

The High Court is particularly well suited to apply the U.S. Constitution in a manner which takes into account local conditions. The Court consists of a chief justice and associate justices appointed by the Secretary of the Interior. In addition to the full-time justices, the Secretary frequently designates Federal and State court judges as acting associate justices of the High Court. The Court also includes associate judges, who are appointed by the Governor and are typically chosen from the ranks of the senior traditional Samoan Chiefs. These associate judges help the Court understand local conditions and customs.

The High Court regularly hears cases involving interpretation and application of the U.S. Constitution. A leading example is the case of Craddick v. Territorial Registrar, No. 61-78 (H.C.L.T. 1979); No. 10-79 (H.C.A.D. 1980), where the High Court considered the constitutionality of the statutory restrictions on alienation of native Samoan land. Consistent with prior decisions of the High Court, the Court held that the Federal constitutional guarantees of due process and equal protection extend to American Samoa. After considering the history and purpose of the native land system and the strong governmental interest in preserving Samoan culture, the Court concluded that the restrictions on alienation are reasonable and necessary safeguards which do not violate the due process and equal protection clauses of the Constitution.

The leading Federal court case applying the U.S. Constitution in American Samoa is King v. Andrus, 452 F. Supp. 11 (D.D.C. 1977) where the U.S. District Court for the District of Columbia held that the right to jury trial applies to criminal prosecutions in the territory. This constitutional decision was reached after an extensive trial in which local conditions were examined in depth. In the King case, the Court of Appeals emphasized the need for a thorough trial of the constitutional issue:

"The importance of the constitutional right at stake makes it essential that a decision in this case rest on a solid understanding of the present legal and cultural development of American Samoa. That understanding cannot be based on unsubstantiated opinion; it must be based on facts." King v. Morton, 520 F. 2d 1140, 1147 (D.C. Cir. 1975).

The King case establishes that the U.S. district courts have original jurisdiction to resolve genuine Federal constitutional issues arising in American Samoa. In view of the need to consider the relevant facts in depth, the American Samoa Government believes that Federal judicial consideration of such issued should be through the existing trial-level jurisdiction invoked in King. We do not support the creation of Federal appellate jurisdiction to review decisions of our courts. Unlike the careful trial in the King case, Federal appellate review would require the Federal courts to assess local conditions on the basis of a cold legal record.

Furthermore, the American Samoa Government supports legislation to establish exclusive venue for Federal actions arising out of American Samoa in the U.S. District Court for Hawaii. Proposed legislation to establish such exclusive venue has been approved by Judge Anthony M. Kennedy, who is chairman of the Pacific Territories Committee of the Judicial Conference of the United States. The proposed legislation would help assure that local conditions and traditions in American Samoa are understood and honored by the Federal courts. The District Court for Hawaii is familiar with the legal and cultural traditions of the Pacific Islands, and some Federal judges from Hawaii have gained direct experience in American Samoa by serving as temporary justices of our High Court.

In most instances, however, the U.S. Constitution can and should be interpreted and applied by our local courts, which have the greatest familiarity with local conditions. This local judicial responsibility is consistent with the historical Federal policy of developing territorial institutions which are capable of providing democratic government and protecting constitutional rights. If the institutions of our territorial government are to continue gaining strength and viability, they must be allowed to function without unnecessary outside intrusion.

Secretary of the Interior Hodel has eloquently expressed the basic policy of non-interference with out government in rejecting the request by a disappointed litigant for secretarial intervention in a decision by the High Court.

As the Secretary stated:

"When it accepted the deeds of cession and gained sovereignty over the islands of American Samoa, the United States agreed to promote peace and welfare, to establish a good and sound government, and to preserve the rights and property of the people. To this end, the United States has maintained a policy of fostering greater self government and self-sufficiency without disturbing the traditional Samoan cultural values. This requires a measure of confidence in the government and governmental acts, including actions of the executive, legislative, and judicial branches of the American Samoa Government." Letter to Wilford W. Kirton, Esq., June 7, 1985.

There constitutional issues now concern the peoples of the territories. First, the right to vote for the electors of the President and Vice President is supposed to be guaranteed for all Americans. Yet all Americans are not allowed to vote for them. By virtue of where under The United States flag they choose to reside, some Americans have been disenfranchised. That is why in the Congress my Congressman and 187 other Members of Congress have sponsored House Joint Resolution 23 to propose an amendment to the United States Constitution to provide that American Samoa, Guam, the Northern Marianas and the Virgin Islands should appoint electors of the President and Vice President the four territories would have three electors. They would apportion the three votes according to that percentage which each territory's population would bear to the total population of all four territories. This would be the same type of legislation as the 23rd amendment to the United States Constitution, which gave three electors of the President and Vice President to the District of Columbia and which went into effect in 1961 for every Presidential election beginning in 1964.

This is a fair and necessary amendment. Under our laws no American should be penalized because of where on American soil he or she chooses to live. Please inquire of the Member of Congress from the district in which you are registered to vote as to whether he or she supports House Joint Resolution 23.

Second, under the American Samoa Constitution the Fono and Governor have the authority to conduct all day-to-day affairs of the Territory. While the Department of the Interior maintains offices in American Samoa, it does not interfere in the administration of the islands. As the present Secretary of the Interior, the Honorable Donald Paul Hodel, wrote this past June, "when it accepted the * * * cession and gained sovereignty over the islands of American Samoa, the United States agreed * * * to preserve the rights and property of the people. To this end, the United States has maintained a policy of fostering greater self-government and self-sufficiency without disturbing the traditional Samoan cultural values." So, while Congress has granted the Secretary of the Interior broad powers in connection with his administration of American Samoa, it has been the policy of the United States not to interfere in the governance of American Samoa, particularly where it would implicate FA'A Samoa, the Samoan way of life. I respectfully urge that the United States Government maintain this protection of American Samoan traditions and culture.

Third, as you know, the Members of Congress from American Samoa, the District of Columbia, Guam, Puerto Rico and the Virgin Islands have nearly all the privileges that other members enjoy. These five members may vote in House committees, propose legislation on the floor of the House, chair House committees, sponsor and cosponsor all bills and resolutions, conduct party business on the floor of the House and even call for a vote of the other 435 members on a bill or resolution, but they do not have the right, except in party caucus, to vote on the floor of the House. The citizens and nationals of the United States domiciled in its territories earnestly hope that, as the national approaches the 100th Congress, leading jurists, attorneys, legislators and scholars will advocate full voting rights for all.

ARMENIAN GENOCIDE

HON. TONY COELHO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 14, 1986

Mr. COELHO. Mr. Speaker, I would like to take this opportunity to share with my colleagues a recent editorial from the Los Angeles Times concerning the Armenian genocide resolution:

[From the Los Angeles Times, Apr. 30, 1986]

ANGUISH AND POLICY

The anguish of Armenians regarding the violence that beset their people of World War I is widely shared, remembered by all civilized people as an awful example of the breakdown of law and order. So the indignation expressed so emotionally by Gov. George Deukmejian, the son of Armenian immigrants, on the anniversary of those events, is understandable and heard with widespread sympathy.

But his call, and the call of many within the Armenian community, to support congressional action to designate April 24 as Martyrs Day, commemorating what they regard as the "genocide" of the Armenians, does not enjoy universal support for good reason.

Those seeking that designation see it as part of a campaign to force the government of modern-day Turkey to acknowledge what the governor calls the "historical truth." That is not fair. Whatever happened in Anatolia in those atrocity-filled years came

under the Ottoman Empire and before the revolution of Ataturk created the modern state of Turkey. Furthermore, there remains a debate among scholars as to the circumstances of the atrocities committed against Armenians, but not only against Armenians, as Ottomans warred with invading Russia. Some clarity may come from the indications that long secret archives in Istanbul may be opened to scholars.

The pressure for a congressional resolution has also been resisted because so many calling for it, including the governor, have not matched the fervor of their denunciation of the Turks with a denunciation of the Armenian terrorism that still, 70 years after those dreadful events, preys on Turkish nationals, including diplomats faithfully carrying out their responsibilities.

Turkey is a strategically important member of the Atlantic Alliance. It is slowly returning to full democracy. It is maddeningly stubborn on some issues, including its indefensible occupation of almost half of Cyprus and its sometimes bellicose actions toward Greece in the Aegean. But neither those actions nor the outrages of the Ottoman past can justify congressional action that is but a thinly veiled attack on a faithful and effective ally.

This editorial shocked not only the Armenian community, but many others as well. Many Armenians in southern California as well as throughout the whole country rallied behind the cause. The Times was inundated with letters, including mine, which expressed the anger of Armenians and others for the postion which the Times had chosen. The following is the text of my letter as it appeared in the Times:

[From the Los Angeles Times, May 8, 1986]

ANGUISH AND POLICY OVER MARTYRS DAY RESOLUTION

I am writing in response to your editorial (April 30); "Anguish and Policy," concerning the Armenian genocide resolution. As the author of the resolution and one of its strongest proponents in Congess, I feel compelled to clarify the record and clear up the misconceptions that the editorial further perpetuates.

Perhaps the greatest misconception is that the purpose of our efforts to get this resolution passed is to denigrate Turkey. Your editorial states that "those seeking designation [of Martyrs Day] see it as a part of a campaign to force the government of modern-day Turkey to acknowledge what [Gov. George Deukmejian] calls the 'historical truth'" and that the "resolution is a thinly veiled attack on a faithful and effective ally."

This resolution does not force Turkey to do anything nor does it accuse Turkey. Rather it is a simple commemorative resolution, which observes April 24 and commemorates the killing of 1.5 milliion Armenians by the Ottoman Empire from 1915-1923.,

To truly understand the efforts by the Armenian community to get this resolution passed, one needs to understand why the resolution was introduced in 1983. In August 1982, the State Department published in its monthly Bulletin an article regarding terrorism. The article made reference to the Armenian genocide and included a footnote, which stated that the facts surrounding the genocide were ambiguous. Needless to say, the Armenian community found this to be an affront, if not an insult.

How was it that up until this time there had never been any questions as to what was U.S. policy on the Armenian genocide? Presidents, Congress and the United Nations have readily acknowledged and confirmed the genocide. Congress chartered the Near East Relief organization, which contributed about $113 million to aid the Armenian genocide survivors from 1915 to 1930. Both the House and the Senate have had resolutions confirming the genocide as well. In 1920, Senate Resolution 359 stated that "the testimony adduced at the hearings conducted by the subcommittee of the Senate Committee on Foreign Relations have clearly established the truth of the reported massacres and other atrocities from which the Armenian people have suffered."

Some 55 years later, the House passed Resolution 148, which observed April 24 of that year as a day of remembrance for all the victims of genocide, "especially those of Armenian ancestry who succumbed to the genocide perpetrated in 1915. . . ." And in 1979, the United Nations Commission on Human Rights issued a report that mentioned "passing to the modern era, one may note the existence of relatively full documentation dealing with the massacres of Armenians."

The genocide is an important chapter in the history of the Armenian people. It was an era when the Armenian people were almost destroyed. Today in the Los Angeles area, and throughout the United States and the world, people of Armenian descent have contributed greatly to their communities. I feel that it is only appropriate that we seek to commemorate this tragedy, not only for Armenians, but for mankind.

TONY COELHO,
Member of Congress.

Cowardice is the word I use to describe the past and present Turkish government for not admitting their most heinous crime of the 20th-Century: the Armenian Genocide.

Ignorant is the word I used to describe the editorial writer responsible for writing the slanderous "Anguish and Policy" editorial.

GAYANE MARKARIAN,
La Canada.

In your editorial you wrote "neither the actions nor the outrages of the Ottoman past can justify congressional action." Justify the atrocities? I myself experienced the cruelty during my teen years.

I am now 82 years old. I have lived and felt on my own skin the kind of pain many people suffered. I witnessed many girls my own age sexually abused, raped, then thrown to their death.

I owe my life to the American missionaries who kept me and many like myself alive. They gave us food and comfort and the only thing they wanted in return was a smile. Your blood is no match compared to those beautiful people.

Is it so much to ask for the Turkish government to admit with dignity and in a civilized manner the Ottoman Empire's wrongdoing? This in itself would satisfy the majority of the Armenian people.

There is no doubt, if you would permit me in saying, in your mind as well as theirs that the genocide actually happened, as it did to 6 million Jewish people. In my opinion, admittance brings respect and follows with forgiveness. It would truly open new avenuses such as friendship.

YEBRAKSI ARAKELIAN,
Los Angeles.

Your editorial does a grave disservice, not only to the American-Armenian community, but to all peoples who have been victims of genocide.

You argue that it is "not fair" to call upon the government of modern-day Turkey to acknowledge the historical truth of the Armenian genocide. You state that "whatever happened" came under the Ottoman Empire and before the creation of the modern state of Turkey. Would you also argue that, because the extermination of over 6 million Jews took place under Hitler's Germany, the modern state of Germany should not recognize the Holocaust?

You also cite, inaccurately, a failure on the part of those calling for a congressional resolution recognizing the genocide to denounce what you editorially refer to as "Armenian terrorism" that "preys on Turkish nationals, including diplomats." Any human life is precious but there can be no comparison between a few isolated individual criminal acts and the premeditated and purposeful government-supervised extermination of 1.5 million people over a period of several years.

Members of the American-Armenian community have publicly denounced terrorism against Turkish nationals. Those persons include Gov. George Deukmejian, Justice Armand Arabian and myself.

ROBERT H. PHILIBOSIAN,
Los Angeles.

Thank you for Ellen Goodman's column. She rightly describes the current discussion of our attack on Libya as "a debate about inaction and wrong action."

As I witnessed on TV the technological efficiency with which the bombs, guided by lasers, did their work, a quote from Alexander Woollcott came to mind: "The worst sin of all is to do well that which shouldn't be done at all."

VANCE GEIER,
Los Angeles.

On May 8, the Times printed a retraction and acknowledged it was wrong for the paper to have expressed opposition to the resolution. The following is the text of the retraction:

[From the Los Angeles Times, May 8, 1986]

ARMENIAN ANGUISH

A Times editorial, "Anguish and Policy," published April 30, drew a sharp response from Armenian-Americans, and from others. The letters on this page reflected the range of that response. We wish to make two points.

First, we did not intend our words to imply that we do not believe the well-established fact that hundreds of thousands of Armenians, perhaps as many as a million and a half, perished at the time of the First World War. The Armenians call this genocide. It is the somber privilege of the victims to name it what they will.

Second, we have come to believe, after looking more closely, that we were wrong to oppose, as an unfair insult to Turkey, an ally in the North Atlantic Treaty Organization, a Congressional Resolution that proclaims April 25 as a "National Day of Remembrance of Man's Inhumanity to Man" in honor of the victims of the Armenian genocide. The amended resolution makes it clear it was the old Ottoman Turkey, not modern Turkey, that bore responsibility. To put the Congress of the United States on record as deploring a human calamity still remembered with anguish is to strengthen the hand of that great majority in the Armenian community who seek redress through the legal process, not terror. To

deny a cry for recognition that something dreadful happended in Armenia during a dreadful war is to embitter the agony of its memory.

The Armenians can declare a victory in their struggle to get the genocide recognized by having the Times print a retraction. However, it is unfortunate that the Reagan administration and some of my colleagues in the House and Senate are not as easily convinced that the Armenian genocide is, indeed, a historical fact.

H.R. 4820

HON. JOHN D. DINGELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 14, 1986

Mr. DINGELL. Mr. Speaker, I am very pleased to introduce H.R. 4820 the Prescription Drug Marketing Act of 1986. Joining me as cosponsors of this bipartisan legislation are Congressmen BROYHILL, WYDEN, ECKART of Ohio, BLILEY, SIKORSKI, OXLEY, LUKEN, ECKERT of New York, BRYANT, and WHITTAKER.

The bill contains several measures urgently needed to correct abuses identified in 5 days of public hearings and during a 1½ year investigation by the Oversight and Investigations Subcommittee. The legislation will protect consumers from the obvious health and safety threats posed by substandard, impotent, adulterated, and counterfeit pharmaceuticals. Manufacturers will benefit from provisions that will eliminate a serious source of fraud and lost sales currently resulting from the reimportation of brand name drugs. And wholesalers and retailers can compete in a marketplace free from unfair competition in the form of below wholesale priced drugs diverted from health care institutions or charities. The only people who will oppose this bill are the fast buck artists and shady dealers who now profit enormously from these various nefarious practices.

In the last 2 years, the pharmaceutical industry has been stunned by revelations of corrupt practices and counterfeiting. A joint State-Federal investigation in Atlanta, GA, has obtained more than 50 guilty pleas from doctors, pharmacists, wholesalers, salespeople, and executives in 12 States for a variety of abuses involving prescription medications. The investigation continues and more guilty pleas or indictments will probably result. Similar investigations are under way in Ohio, where the State board of pharmacy has issued nearly 100 citations, and Missouri, where the Federal Bureau of Investigation has executed three search warrants. Three examples of American brand name products being counterfeited or placed in counterfeit packaging with false markings have also been documented.

In all cases, these counterfeit, adulterated subpotent, or expired medications are intended for sale to unsuspecting consumers. Undercover FBI agents bought such goods in many locations in conjunction with the Atlanta investigation. It is not possible exactly to quantify the volume or value of prescription drugs whose quality is suspect. It is clear that the problem is significant in size and national in scope. The FBI seized $620,000 worth of diverted drugs in the Atlanta investigation. According to the U.S. attorney, drugs of questionable effectiveness were discovered for sale to consumers in literally every city, town, and village investigated. This bill will go a long way toward halting such practices.

The legislation contains several significant elements. Section 3 would prohibit the reimportation of American-produced pharmaceuticals, except by the manufacturer or for emergency purposes. Section 4 prohibits the selling or trading of drug samples, as well as restricts the resale of pharmaceuticals by health care institutions or charities. All have been major sources of diverted pharmaceuticals. Section 5 prohibits manufacturers' sales representatives from directly providing samples to physicians. Rather, the physician must sign a request form, after which samples will be sent directly to the doctor by common carrier. The manufacturer must obtain a receipt and maintain distribution records, which are available to State and Federal authorities. This proposal will allow the continued use of samples by doctors, but will provide the control and accountability that is lacking under the present system. Section 6 will require wholesalers to disclose from whom and where they purchased drugs. This section will also allow the Secretary of the Department of Health and Human Services to establish minimum standards for drug wholesalers engaging in interstate commerce where State licensing requirements do not exist. Section 7 provides criminal penalties for violations of the act. Willful violations of the provisions relating to drug samples and reimportations could result in up to 10 years in jail and a fine of up to $100,000. Willful violations of the other sections could result in up to 3 years in jail and a fine of up to $10,000, as provided in the current statute.

I attach the text of the bill.

H.R. 4820

A bill to amend the Federal Food, Drug, and Cosmetic Act to ban the reimportation of drugs produced in the United States, to place restrictions on drug samples, to ban certain resales of drugs purchased by hospitals and other health care facilities, and for other purposes

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

SECTION 1. SHORT TITLE AND REFERENCE.

(a) SHORT TITLE.—This Act may be cited as the "Prescription Drug Marketing Act of 1986".

(b) REFERENCE.—Whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Federal Food, Drug, and Cosmetic Act.

SEC. 2. FINDINGS.

The Congress finds that—

(1) American consumers cannot purchase prescription drugs with the certainty that the products are safe and effective;

(2) the integrity of the distribution system for prescription drugs is insufficient to prevent the introduction and eventual retail sale of substandard, ineffective, or even counterfeit drugs;

(3) the existence and operation of a wholesale submarket, commonly known as the "diversion market", prevents effective control over or even routine knowledge of the true sources of merchandise in a significant number of cases;

(4) increasing amount of drugs are being reimported to the United States as American goods returned. These imports are a health and safety risk to American consumers because they may have become subpotent or adulterated during foreign handling and shipping;

(5) the ready market for prescription drug imports has been the catalyst for a continuing series of frauds against American manufacturers and has provided the cover for the importation of foreign counterfeit drugs;

(6) the existing system of providing samples of drugs to physicians through manufacturer's sales representatives has been abused for decades and has resulted in the sale to consumers of misbranded, expired, and adulterated pharmaceuticals;

(7) the bulk resale of below wholesale priced prescription drugs by health care institutions, for ultimate sale at retail, helps fuel the diversion market and is an unfair form of competition to wholesalers and retailers that must pay otherwise prevailing market prices; and

(8) the effect of these several practices and conditions is to create an unacceptable risk that counterfeit, adulterated, misbranded, subpotent, or expired drugs will be sold to American consumers.

SEC. 3 REIMPORTATION.

Section 801 (21 U.S.C. 381) is amended by redesignating subsection (d) as subsection (e) and by inserting after subsection (c) the following:

"(d)(1) Except as provided in paragraph (2), no drug subject to section 503(b) which is manufactured in a State and exported may be imported into the United States unless the drug is imported by the person who manufactured the drug.

"(2) The Secretary may authorize the importation of a drug the importation of which is prohibited by paragraph (1) if the drug is required for emergency medical care.".

SEC. 4. SALES RESTRICTIONS.

Section 503 (21 U.S.C. 353) is amended by adding at the end the following:

"(c)(1) No person may willfully sell or trade or offer to sell or trade any sample of a drug subject to subsection (b). For purposes of this paragraph and subsection (d), the term 'sample' means a drug which is not intended to be sold and is intended to promote the sale of the drug.

"(2) No person may—

"(A) sell, purchase, or trade, or

"(B) offer to sell, purchase, or trade,

in bulk any drug subject to subsection (b) purchased by a public or private hospital or other health care facility or any other establishment exempt from registration as a pharmacy licensed under State law for the use of the hospital, facility, or establishment, except that a hospital or other health care facility which is a member of a group purchasing organization may purchase or otherwise secure such a drug for its own use from other hospitals or facilities which are members of such organization.

"(3) No person may willfully sell or trade or offer to sell or trade any drug which is subject to subsection (b) and which was donated or supplied at a reduced price to a charitable organization described in section 501(c)(3) of the Internal Revenue Code of 1954, except that such an organization may

sell or trade any such drug to an affiliate of the organization.".

SEC. 5. DISTRIBUTION OF SAMPLES.

Section 503 (as amended by section 4 of this Act) is amended by adding at the end the following:

"(d)(1) Except as provided in paragraph (2), no sales representative, employee, or agent of a drug manufacturer may distribute any sample of a drug subject to subsection (b) which is manufactured by such manufacturer. This subsection does not prohibit the distribution of a drug in connection with its investigational use under regulations promulgated under section 505(i).

"(2) The manufacturer of a drug subject to subsection (b) may, in accordance with this paragraph, distribute samples of such drug to practitioners licensed to prescribe such drugs. Such distribution of samples shall be made by mail or common carrier and shall be made in response to a written request for samples made on a form approved by the Secretary. Practitioners receiving samples distributed under this paragraph shall provide the manufacturer making the distribution a receipt for the samples received. Each drug manufacturer which makes distributions under this paragraph shall maintain the receipts received for samples distributed and maintain a record of distributions which identifies the drugs distributed and the practitioners receiving the drug. Receipts and records required to be maintained by a drug manufacturer shall be made available to Federal and State officials engaged in the regulation of drugs and in the enforcement of law applicable to drugs.

SEC. 6. WHOLESALE DISTRIBUTORS.

Section 503 (as amended by section 5 of this Act) is amended by adding at the end the following:

"(e)(1) Each person who is engaged in the wholesale distribution of drugs subject to subsection (b) shall provide to each purchaser of such drugs a statement identifying—

"(A) the manufacturer of the drug, and

"(B) each sale of the drug (including the date of the sale) before the sale to such purchaser.

"(2)(A) No person may sell at wholesale and in interstate commerce drugs subject to subsection (b) in a State which does not require such persons to be licensed in accordance with standards prescribed under subparagraph (B).

"(B) The Secretary shall issue regulations establishing minimum standards, terms, and conditions for the licensing of persons to make sales at wholesale and in interstate commerce of drugs subject to subsection (b). Such standards shall prescribe requirements for the storage and handling of such drugs and for the establishment and maintenance of records of the sales of such drugs.".

SEC. 7. PENALTIES.

(a) PROHIBITED ACTS.—Section 301 (21 U.S.C. 331) is amended by adding at the end the following:

"(t) The importation of a drug in violation of section 801(d)(1), the sale, purchase, or trade of a drug in violation of section 503(c), the distribution of a drug sample in violation of section 503(d), and the failure to comply with the requirements of section 503(e).".

(b) PENALTIES.—Section 303 (21 U.S.C. 333) is amended—

(1) by inserting "(1)" after "(a)",

(2) by redesignating subsection (b) as paragraph (2) and by striking out "subsection (a)" in such subsection and inserting in lieu thereof "paragraph (1)", and

"(3) by inserting after subsection (a) the following:

"(b) Notwithstanding subsection (a), any person who violates section 301(t) because of an importation of a drug in violation of section 801(d)(1) or because of a sale, purchase, or trade of a drug in violation of section 503(c) shall be imprisoned for 10 years and fined not more than $100,000.".

SEC. 7. EFFECTIVE DATE.

(a) GENERAL RULE.—Except as provided in subsection (b), this Act and the amendments made by this Act shall take effect upon the expiration of 90 days after the date of the enactment of this Act.

(b) WHOLESALE LICENSES.—The Secretary of Health and Human Services shall promulgate the regulations required by section 503(e)(2)(B) of the Federal Food, Drug, and Cosmetic Act (as added by section 5 of this Act) not later than 180 days after the date of the enactment of this Act. Section 503(e)(2)(A) of such Act shall take effect upon the expiration of 2 years after the date such regulations are promulgated and take effect.

POLICE MEMORIAL DAY AND NEWARK POLICE DEPARTMENT AWARD DAY

HON. PETER W. RODINO, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 14, 1986

Mr. RODINO. Mr. Speaker, by an act of Congress, tomorrow—May 15—will be "Police Memorial Day." In addition, this whole week has been designated "National Police Week." Ceremonies are being held throughout the Nation to remember and honor those slain in the past year and the years before.

This is a time to commemorate all the law enrforcement officers who have given their lives to protect their fellow citizens. It is also a time to express our appreciation for the police, who day after day put themselves on the line to keep the peace. The police protect our lives, patrol our neighborhoods, safeguard our homes, and help our families and children. They are our Nation's finest—men and women willing to give themselves for the public good. Our Nation is deeply indebted to them.

In my district, the Newark Police Department today will be holding its annual award day ceremonies in conjunction with this commemorative period. Under the leadership of Police Director Charles Knox, the Newark Police Department has served our community with unmatched dedication and professionalism. During today's ceremonies, the department will bestow its official commendations for meritorious services to all police officers who earned these awards while performing their duties during the past year. The deparment will also give special recognition to all those citizens who have served their community by assisting law enforcement.

I would like to take this opportunity to honor all the police officers in my district. Daily, they perform with great honor, courage and spirit in what are often very difficult circumstances. They are true guardians of the public safety.

Since 1960, 2,100 law enforcement officers have been killed in the United States in the line of duty. In recent years, one police officer is killed every 3 days. Each police casualty is one too many. Each is a great loss to our Nation.

Police work is one of the most difficult of occupations. Every day police officers face the underside of American life—incidents so gruesome and dangerous that the rest of us would rather avoid them. In their pursuit of public safety, their daily regimen will often consist of criminals, drug addicts, gangsters, thefts, and tragedies. The satisfaction they feel for taking a criminal off the streets, or helping their community create a crime watch program, is frequently overwhelmed by the urgency of solving the next case on the blotter.

It is for this reason that we in Congress have a special responsibility to ensure that our police officers are given the greatest amount of protection possible. This means passing laws that are tough on crime and criminals. It means addressing problems—such as drugs or poverty—that are often at the source of criminal behavior. It means providing enough funding and resources for effective law enforcement programs and prosecution. It means helping to unclog the courts and prisons. And it means giving the proper assistance to crime witnesses and victims—as well as to the families of slain police officers.

I take this occasion to pay tribute to the 61 law enforcement officers killed in New Jersey since 1960. These men and women are heroes in the cause of justice.

Their names follow:

Trooper Arthur J. Abageale, New Jersey State Police. Patrolman Donald Alshire, Mt. Holly. Patrolman Charles D. Bernoskle, Rahway. Patrolman William Birch, Ft. Lee. Sergeant Donald Bourne, Trenton. Patrolman Casper J. Buosocore, Jr., Jersey City K-9 Officer John Burkey, Atlantic City. Officer Raymond T. Bustard, Montclair. Patrolman William Cady, South Plainfield. Trooper William Caroll, New Brunswick Patrolman John Clower, Trenton. Officer Richard H. Conklin, South Plainfield. Sergeant William Connelly, East Orange. Sergeant John F. Crowley, Englewood. Chief Philip De Santis, Woodbine. Trooper Joseph Difriso, New Jersey State Police. Patrolman Danlel Du Ross, Atlantic City. Officer Peter Egnor, Atlantic City.

Corrections Officer Dean Evans, Bordentown, Trooper Werner Fuerster, New Jersey State Police. officer Anthony Garaffa, Irvington. Patrolman John Gottfried, Newark. Patrolman Clayton G. Graham, Atlantic City. Officer Daniel Greer, Nassau County. Detective Nicholas Guirado, Union City, Patrolman Joseph Hagle, Newark. Corrections Officer Donald Hiles, Leesburg. Officer Henry John Koeble, Jr., Gords. Trooper Philip J. Lamonaco, Belvidere. Officer Anthony Lordi, Hillside. Trooper Anthony Lukis, Jr., New Jersey State Police. Officer Michael McEllen, Paramus. Detective Albert MelLea, New Jersey State Police.

State Trooper Carlos Negros, West Trenton. Lieutenant Lester A. Pagano, Wharton. Correction Officer George Parkowski, Elizabeth. Lieutenant Herman Peccarelli, Orange. Officer William J. Perry, Roselle Park. Patrolman Joseph Peters, North Bergen. Patrolman Joseph Pocchio, Essex County. Patrolwoman Abigall Powlett, Plainfield. Patrolman Frederick W. Reihardt, Montclair. Secret Service Agent Donald Robinson, Newark. Sheriff Joseph J.

Rybka, Jr., Rutherford. Sergeant Alfred T. Sellick, Montclair. Patrolman Francis Shannon. Newark. Trooper Milan Shocak, New Jersey State Police. Patrolman Daniel Smith, Bloomfield. Lieutenant George Smith, Montclair.

Officer John W. Snow, Newark. Patrolman Robert D. Strone, Passaic. Sergeant Nathanlel Taylor, Essex County. Patrolman Garry Tedesco, Lodi. Patrolman Robert T. Toblas, Lakehurst. Sergeant Peter Voto, Lodi. Officer Robert E. Walls, Essex County. Patrolman William Waterson, Clark. Chief Fred Witte, Englewood Cliffs. Patrolman Raymond Woods, New Milford. Patrolman J. Wright, Bradley Beach. Patrolman William Werst, Hinesport.

AN INSIDE LOOK AT POLISH LIFE

HON. WILLIAM O. LIPINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 14, 1986

Mr. LIPINSKI. Mr. Speaker, I wish to apprise my colleagues of the current situation in Poland as seen through the eyes of a recent visitor to that country. It is an interesting and informative account because it provides a human background to the often sterile nature of government statistics and data. Zbigniew Brezinski, to whom the text had been originally submitted, called it "particularly effective because of its straightforward and direct style."

Taken from the April 1986 edition of New Horizon-Polish American Review, I would like to include excerpts of this account for the RECORD.

[NOTE: The author requested that his/her name not be released in case he/she needs a visa to visit Poland again.]

LIFE IS VERY, VERY DIFFICULT THERE . . .

I am writing this essay to describe a trip I took to Poland last year for three weeks. I visited the families of members of Solidarity who had been imprisoned, to whom I have sent parcels of food since 1982.

I flew into Warsaw and visited the family of an old friend. We saw many paradoxes there. For example, the police guarded St. Anne's Church to prevent people from building a flower cross. But they had let them build a large, beautiful cross of gladiolas at another church nearby!

From Warsaw, I rode a bus to southeast Poland, and learned how difficult and slow it is to travel in Poland. The bus drove for three hours over country roads for a distance which did not seem to be very far.

The family which I was visiting took me to Lancut, Lezajsk, and Czestochowa. I was amazed at the strength, pervasiveness, and wealth of the Catholic Church in Poland. Both parents in this family had been in Solidarity. He was interned, and she had been threatened with internment. She said that in the place where she worked then, only one fourth of the workers had joined the new government trade union.

They had a family of five, and were in shock over the price of food. I heard this everywhere—that food was taking over one half of their budget, and that the percentage was increasing. Because of this and other price increases, they said that they probably would not be able to buy new clothes, or furniture for years.

They took to Czestochowa, where we saw the Black Madonna, which was very moving. On one of the walls outside were many Solidarity banners, carried there by pilgrims.

I noticed two things which surprised me, which were true throughout the trip. One, Poles really do say what they think, without checking first to see if someone is listening. Also, there were posters everywhere, asking people to vote in October.

I returned by train to Warsaw, which took six hours.

I went to Saint Stanislaw Kostka's church, were Father Popieluszko is buried. It was somber and sad. About 300 people were there, even though it was noon on Wednesday. About fifty sang protest songs, but only half made the victory sign.

From there, I rode a train to Gdansk, where I met another family. The father took me around the city, and we saw the Solidarity monument, "gate two" of the shipyard, and St. Bridget's church. The church has many displays about Solidarity, and several dramatic, surreal displays about Father Popieluszko. Surrounding the area were more police than I have ever seen, with a van or truck on every corner. They could have followed someone by remaining in their vans, and talking over the radio! They resembled a beehive, with blue bees swarming everywhere.

Later, my friend in Warsaw took me and his family to a political mass at St. Stanislaw Kostka's church. About 20,000 people attended, overflowing the church. The sermon was about Solidarity, and was applauded about twenty times. It was recorded by British television.

There are two main songs which the people sing at these masses. Throughout them, they made the victory sign. The first one had about eight verses, including a new verse about Solidarity. The words of the other song prayed for a free homeland. When they came to the words "ojczyzna wolna" (free motherland), everyone sang out very loudly and intently, It was very moving and emotional.

Afterwards, as we were leaving, the crowd tried to demonstrate, but we decided to leave. At the bus stop nearby, a loudspeaker from the church played a poetry reading. Meanwhile, a police van with a loudspeaker was telling the crowd to go home, but it was responding by telling the police to be quiet. They also shouted "Solidarity", and Walesa's and Bujak's names.

These are my final impressions: The best monent of the trip occurred when I was riding in the car with one of the men, and we passed the barracks of Russian soldiers. We saw one guard isolated by himself. My friend drove the car around the block three times, each time staring at the soldier with hate, and telling me to do the same, without being afraid. It was amusing, but great.

Life is very, very difficult there, because so many things take so long to do. The telephone system is so difficult to use that I gave up trying. People are worried about the price of food increasing so much that they cannot buy anything else. The people are nice and polite, and the hospitality is overwhelming. But I kept getting the feeling that I was in a very poor country. While America, Western Europe, and Japan were developing quickly, Poland seemed to be moving backward. One lady told me that, in three months before martial law was imposed, the only food they could find in the stores was bread and potatoes. They could sometimes find a little butter and meat, but this they always gave to their baby. So, for three months, they lived off of bread and potatoes!

TEMPLE ISRAEL OF GREATER MIAMI HONORS CANTOR JACOB BORNSTEIN

HON. WILLIAM LEHMAN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 14, 1986

Mr. LEHMAN of Florida. Mr. Speaker, my wife Joan and I were very pleased to be able to attend the memorable tribute that was given to Cantor Jacob G. Bornstein by the congregation of Temple Israel of Greater Miami on May 10, 1986. After 34 years of dedicated service as cantor, teacher, and mentor, Cantor Bornstein will be retiring. His association with Temple Israel, with Rabbis Kaplan, Zwitman, Narot, and Bernat personifies what Temple Israel has meant to the south Florida Jewish community these many years. Four generations of my family have received so much from Temple Israel and from Cantor Bornstein.

I would like to include some of the well-deserved remarks that were made on behalf of Cantor Bornstein by Rabbi Haskell Bernat and Temple President Gerald K. Schwartz.

The remarks follow:

MESSAGE FROM THE SENIOR RABBI

DEAR JACK: A great sage completed his tenure as a leader of the community and was asked by his disciples. "How did you manage such a long and successful service?" He responded, *"Lo asiti bet knesset kopandariya"* . . . "I've never made the synagogue a short-cut." In Talmudic times, dwellings were built around a courtyard which could be traversed as a short-cut or stepping stone to a further destination. For him, the synagogue was an end unto itself, never a by-way or stepping stone to an ambition beyond it.

Your life and career in the cantorate is a contemporary echo of this principle. Temple Israel of Greater Miami has been your object of devotion and loyalty for almost three and one-half decades. It was your address for dispensing the word of God with nostrums of love and caring to two generations of young Jews. The bima of our great sanctuary was resplendent with your clarion voice calling the faithful to worship. You uplifted their spirits through the musical arts in quest of the transcendent Beauty and Nobility whom we call God.

Now that the tenure of your professional life a Temple Israel is completed, we need to ask. "What was the formula for your successess," The answer is written in the hearts of the thousands whom your devotion and talent have touched. Gladys and I invoke God's blessings upon you with the hope that the next phase of your life will be filled with its own new fulfillments and joys.

Faithfully,

HASKELL.

REMARKS BY GERALD K. SCHWARTZ

* * * For all that Jack has done for Temple Israel, he is always there to do more. Whatever Jack is doing, he does with style, with class and without anticipated reward. Jack Bornstein gives to Temple

Israel out of love—love for his profession, his Temple and his people.

Too infrequently do we take the opportunity to thank those who have touched our lives to the extent that Jack Bornstein has. Tonight we are fortunate and privileged to have that opportunity.

The history of Temple Israel shines with outstanding clergy. They gave more to Temple Israel than they could ever have hoped to receive. These men not only taught us and counseled us and led us, but also intimately shared their lives with us. Jack Bornstein is very much a living part of this history. As Temple Israel is Jacob Caplan, Coleman Zwitman and Joseph Narot, so too Temple Israel is Jacob G. Bornstein.

EL PAIS: 10 YEARS OF DISTINCTION

HON. ROBERT GARCIA

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 14, 1986

Mr. GARCIA. Mr. Speaker, on May 9 the Christian Science Monitor, published an article on the distinguished Spanish newspaper, El Pais, as it celebrated its 10th anniversary.

I am fortunate enough to be friends with the paper's publisher, Jesus De Polanco, a courageous man who has always maintained his integrity and high journalistic standards. Mr. De Polanco and his capable staff have made El Pais not only Spain's finest newspaper, but one of the world's great papers. Recently, El Pais won the Roosevelt Freedom Medal for its continued tradition of excellence.

I am submitting for the RECORD the Monitor's article on El Pais. I encourage my colleagues to take a moment to read it so that they can become better acquainted with El Pais and its tradition of quality journalism.

[From the Christian Science Monitor, May 9, 1986]

AT AGE 10, SPANISH DAILY HAS GROWN UP WITH DEMOCRACY

(By Kathy White)

MADRID.—Like many Spaniards, Ana Fernandez Virgala has bought "El Pais" from the start.

"Compared to other newspapers, El Pais seems to be the one to most tell the truth," she says.

Sociologist Victor Perez Diaz puts it this way: "El Pais projects credibility."

It is no small compliment for a newspaper which grew up from the ashes of a 40-year dictatorship and a rigidly state-controlled press. El Pais celebrates its 10th anniversary this week.

It is even said that when Prime Minister Felipe González took office, he strongly recommended to his staff that they not read El Pais before the morning's work was over, fearing that the paper might influence policy decisions.

A good start of the newspaper's present success stems from the role it played during the return of democracy, in helping to form opinion and serve as a platform for ideas at a time when political parties were still not legal.

Headed by a young editor, Juan Luis Cebrian, and a similarly youthful team, the paper was launched six months after the death of Gen. Francisco Franco. Untainted by Francoism, El Pais caught the mood of the country and boldly pushed for reform.

It denounced the old political system and supported proposed changes. It helped to build up the image of the King as an institution. In its reporting on the Roman Catholic Church and the Army, it was careful not to stir up anticlerical sentiment or to provoke the military.

Mr. Cebrian received an International Editor of the Year Award for the paper's stance on a coup attempt in 1981. As Army tanks rolled toward Madrid, El Pais rushed out an edition with the banner headline "Constitution" on the front page and a signed editorial by Mr. Cebrian in defense of the democratic system.

The paper's bright layout and balanced presentation of the news also captured an immediate audience among the educated middle class. Cebrian admits that El Pais has borrowed many features from other European and American newspapers.

With its center-left leaning, El Pais stresses in its pages the defense of human rights and minorities, women, prisoners, and religious groups other than Roman Catholic.

The paper has also served as a forum for Latin American writers and journalists, many from countries with repressive regimes. Its extensive coverage of the arts has contributed greatly to Spain's current cultural boom.

Along with the rest of the Spanish press, El Pais still has some traditions to overcome. In the opinion of sociologist Victor Perez Diaz, it's high time for more investigative reporting, deeper analysis, and rigorous writing in the Spanish press in general.

Today, the Spanish press represents a broad range of ideas. Except for extremist papers of the right and left, all Spanish papers seem to suffer somewhat from the practice of self-censorship left over from the Franco regime. Government censorship was officially abolished in 1966, leaving it up to editors to decide what was acceptable.

According to Cebrian the practice still affects news coverage. Even El Pais can be too cautious when it comes to sensitive topics such as the military, he says. However, Cebrian says he is "not too unhappy" about the Spanish press on the whole. He says he is aware that El Pais is often regarded as an institution, and is aware of the danger of readers and journalists becoming too complacent.

"On El Pais we try to be more self-critical than other papers," he says.

El Pais's Sunday magazine regularly carries a satirical version of the paper. Also last November, to guarantee editorial standards, El Pais created the first-ever ombudsman of the Spanish press, to check out complaints or advice from readers. Though relatively common in the US, the ombudsman's role is little known in Europe.

RURAL POVERTY AND THE FUTURE OF ECONOMIC DEVELOPMENT PROGRAMS

HON. SHERWOOD L. BOEHLERT

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 14, 1986

Mr. BOEHLERT. Mr. Speaker, on March 27, the Binghamton Press & Sun-Bulletin of Binghamton, NY, published an eloquent editorial describing the conditions of the rural poor in my district, especially as they compare with the conditions of poor people living in urban areas. I was especially interested to read the editors' long-range prescription for reducing rural poverty: strengthening the economic development programs of the Federal Economic Development Administration [EDA] and the Appalachian Regional Commission [ARC].

Mr. Speaker, we all share the urgent goal of reducing the Federal budget deficit. So does it make sense to eliminate, as the administration has proposed, these two agencies which have been proven successful at increasing private investment in distressed regions? The ultimate result, at a very modest short-run cost to the taxpayers, is to eliminate the burden of supporting the poor in these regions.

H.R. 10, which makes cost-cutting reforms in the EDA, has been passed by the House three sessions in a row, with no action taken by the other body. Doesn't it make sense to pass this bill, and make an investment in the future of poor, rural areas that will ultimately produce greater savings for the Federal Government?

The text of the editorial follows:

THE RURAL POOR

A new report documenting the persistence and apparent intractability of rural poverty says the nation's 13.5 million rural poor outnumber their urban counterparts by 600,000 and tend to have more serious nutritional and health problems than do urban poor.

The study, financed by the Ford Foundation and conducted by Public Voice, a Washington-based health and nutritional public interest lobby, concludes that the rural poor are relatively less well off than the urban poor in part because they are geographically dispersed and receive less government help.

None of this should surprise residents in these parts of New York and Pennsylvania. The rural poor are everywhere. In spite of their numbers, many of us are blind to their existence. When one thinks of poverty it is most often the burned out tenements of the South Bronx and Harlem that come to mind. It is only when we come to a sign announcing we've reached "Poverty Pitch," as an arresting sign on a back road near Oxford in Chenango County announces, that the reality hits us.

Statistics reinforce these perceptions. Otsego County has 15.3 percent of its population below the poverty line, Delaware 14.1 percent, Cortland, 14.7 percent, and Chenango, 12.3 percent. Broome and Tioga counties, by contrast, seem well off with respective rates of 8.8 and 8.7 percent. But anyone who has ever been to the hills and hollows around Harpursville in Broome or Diamond Valley in Tioga, knows the statistics are deceptive. The intermittent squalor in these areas is offset by the relative wealth of a Taft Heights or a Crestview Heights.

These figures for the rural poor are matched against an increasingly smaller federal aid pie and the remnants of the War on Poverty. Taking all the funding mechanics into account, the disparity between antipoverty funds spent in urban as opposed to rural areas is not solely accountable by the relative political clout of urban versus rural lawmakers, the study concludes. Nor, it adds, does the relative visibility of urban over rural poverty pockets account for the eroding situation. The answer, the study notes, may rest in pride.

Rural residents are traditionally more resistant to government programs or accepting government aid—no matter how well-intended. Often help that is available goes unapplied for. In New York City for instance, 61 percent of those eligible for food stamps receive them. In Otsego County—lagging only 4.4 percent behind New York City's poverty rate—only 25 percent of those eligible for food stamps receive them.

Public Voice, with backing from Senate Majority Leader Robert Dole, suggests one answer to the plight of the rural poor is to mandate that a greater share of the federal money and programs go to those areas. Many food and nutrition programs that are now voluntary in nature would be mandated.

While this answer might force state and local governments to set up mechanisms to deal with immediate nutritional and health care problems, the long-range answer is to improve the economic climate of rural areas, thus taking the burden off government. Two agencies designed to accomplish these long-range objectives, the Appalachian Regional Commission (which covers Broome and surrounding counties) and the Economic Development Agency, have been marked for extinction by the Reagan administration.

In light of this report and the direction it suggests be taken, Congress would do well to spare these two agencies and infuse them with new life.

FINANCIAL DISCLOSURE FOR CONGRESSMAN AND MRS. MARTIN FROST

HON. MARTIN FROST

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 14, 1986

Mr. FROST. Mr. Speaker, as I have done for each of the years I have served in the House of Representatives, I am today inserting in the RECORD a personal financial report for my wife, Valerie, and me. While this goes beyond what is required of Members, I feel that it is important to provide this additional information.

Balance sheet: Martin and Valerie Frost—As of Dec. 31, 1985

Assets:	
Checking account, 1st National Bank of De Soto	$1,188.52
Condominium, Dallas, TX	47,500.00
House and Lot, Arlington, VA	200,000.00
Home furnishings and other personal effects	35,000.00
Savings, Wright Patman Federal Credit Union	301.95
Checking Account, Wright Patman Federal Credit Union	622.64
Retirement, U.S. Congress	36,122.41
IRA's (Martin and Valerie)	8,835.00
Washington Fringe Benefit Investment Club (Valerie)	3,193.28
Subtotal	332,763.80
Automobiles:	
1979 Chevrolet Chevette	1,275.00
1984 Toyota van	8,550.00
1984 Starcraft pop-up trailer	3,240.00
1985 Pontiac 6000	8,500.00
Subtotal	21,565.00
Stocks and bonds:	
448 Shares Central and Southwest	12,320.00
362 Shares Exxon	19,995.00
100 Shares Federated Department Stores	6,662.00
90 Shares General Motors	6,003.00
116 Shares Greyhound	3,755.00
209 Shares Houston Industries	5,852.00
66 Shares Eli Lily	7,359.00
71 Shares Texaco	2,130
82 Shares Texas Eastern Corp	2,870.00
54 Shares Mobil	1,600.00
358 Shares Westinghouse	15,931.00
34 Shares IBM	5,287.00
643 Shares Fundamental Investors	8,905.00
229 Shares Massachusetts Investors Trust	2,461.00
234 Shares Wellington Fund	3,297.00
138 Shares Eaton Vance Investment Fund	1,188.00
U.S. Savings Bonds	300.00
100 Shares Wal-Mart	3,187.00
8 Shares General Motors (E)	327.00
4 Shares General Motors (H)	153.00
Subtotal	109,542.00
Total assets	463,870.80
Liabilities—Mortgages:	
Alpha Mortgage Corporation (Dallas condominium)	37,500.00
Northern Virginia Savings & Loan (Arlington residence)	135,000.00
Subtotal	172,500.00
Installment loans;	
Open charge accounts (balance)	1,000.00
Wright Patman Federal Credit Union (automobile)	5,841.04
GMAC (automobile)	6,996.89
Subtotal	13,837.93
Total liabilities	186,337.93
Net worth:	
Total assets	463,870.80
Total liabilities	186,337.93
Total net worth	277,532.87

QUEENS COLLEGE STUDENTS STRUGGLE FOR SOVIET JEWRY

HON. NORMAN F. LENT

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 14, 1986

Mr. LENT. Mr. Speaker, in recent months, the struggle for Soviet Jewry has received a much-needed shot in the arm. The release of Soviet human rights activist and dissident Anatoly Shcharansky from the Soviet gulag has brought renewed hope to the human rights movement. In his speeches, Anatoly is adamant that we must keep up the fight for all those he was forced to leave behind the Iron Curtain, all those still waiting for their day of freedom.

In that spirit, I'd like to bring to my colleagues' attention the Queens College Student Struggle for Soviet Jewry [QCSSJ] and their members' efforts to adopt Ida Nudel as their "refusenik of the month."

I am very familiar with Ida Nudel's case as she is also my adopted prisoner of conscience. Known as the guardian angel of the prisoners of conscience, Ida works tirelessly to obtain food, clothing, and other valuable items for Soviet Jews serving sentences in Soviet prisons and labor camps. An extra shirt might keep a prisoner from freezing during the harsh Siberian winter. A piece of chocolate could bribe a guard to allow a relative's letter through the cell of a prisoner's solitude.

Ida has been waiting for an exit visa for over 13 years. During that time she has been separated from her only living relative, her sister Elena Fridman who now lives in Israel.

Four years in a Siberian labor camp have taken their toll on Ida Nudel. She is in poor health and suffers from a serious heart ailment. However, since 1982, she has lived in virtual exile in the small Moldavian town of Bendery and is forbidden from traveling to receive the medical attention she needs. She is not permitted to receive any mail, and her communication with the outside world is severely restricted. Ida believes her continued refusal is nothing more than KGB vindictiveness and even now her every move is closely followed by KGB secret police.

Despite these overwhelming obstacles, the QCSSSJ will try to communicate with Ida to let her know that she is not alone in her struggle for freedom. By publicizing its campaign, the group hopes to interest their fellow students to join them in the battle to protect human rights.

I commend these fine young people for their dedication and commitment to helping their fellow man. It is important to realize that this is not a Jewish issue, but a human rights issue. For when freedom and human rights are denied anywhere in the world, these same freedoms are threatened everywhere in the world. We must be over vigilant, and the Queens College Student Struggle for Soviet Jewry deserves our deepest appreciation and support for their efforts.

ISRAEL'S 38TH INDEPENDENCE DAY AND THE MESSAGE OF SHCHARANSKY

HON. ROBERT G. TORRICELLI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 14, 1986

Mr. TORRICELLI. Mr. Speaker, this month, we marked three significant events. Tuesday, May 6, was Holocaust Memorial Day, the 44th anniversary of the liberation of the Nazi death

camps. Yesterday, May 13, the joint leadership of the U.S. Congress honored Anatoly Shcharansky in the Rotunda of the Capitol. Today, May 14, is the State of Israel's Independence day, marking the 38th anniversary of its founding. These three events have special significance not only to the Jewish people, but throughout this country. Anatoly Shcharansky's release from Soviet imprisonment is a fitting testimony about the State of Israel and its role as a home for the persecuted. The United States played an important role in winning Anatoly Shchransky's freedom, just as it stood with Israel in 1948 when President Truman extended diplomatic recognition as soon as the state was declared. Finally, it should be remembered that only American intervention made it possible to end the Nazi reign of terror.

Although most Americans alive today have no direct recollection of the Holocaust, the memory of its horrors lingers. Every day, it seems, individuals appear who deny that a genocide occurred, or seek to deflect responsibility from the guilty or complicit. This issue has recently arisen in the case of former U.N. Secretary General Kurt Waldheim. Whether or not he can be charged with war crimes has not yet been determined. What is disturbing is his continued insistence those who did their duty during World War II not be held accountable for committing atrocities. We must totally reject this line of reasoning. When following one's orders means violating all human and moral principles, one's duty is to disobey. I believe that our educators and public leaders need to stress this important distinction.

I do not wish to cheapen the memory of the Nazi Holocaust by comparing it to what is happening in the Soviet Union today. The Stalinist era of physical extermination of peoples is over. Nonetheless, we are witnessing a spiritual eradication conducted on a massive scale. Observant Jews, Baptists, and Pentecostalists—or anyone who would defy the state-decreed norms of thought and behavior—are ruthlessly suppressed. In an Orwellian use of language, the Soviet authorities deem as crimes any activities that expand the human spirit. Artists who attempt to express their creativity are sent to psychiatric hospitals, for they rip the facade of Soviet realism. Religious teachers are sent to Arctic prison camps, for their devotion to the sacred texts of their faith destroys the foundations of Marxist determinism.

Each of the three dates commemorated this month each sends an important message. First, that freedom cannot, in the long run, be snuffed out. Though imprisoned for close to a decade, Anatoly Shcharansky never permitted his captors to dominate him. The thought of this courageous man defying the KGB, running zig-zag through the snow when they told him to walk straight, must be one of the most heart-warming images of recent years.

Another important lesson is the worth of the individual. The Nazi and Soviet systems were both premised on the supremacy of the state. In the ideology of totalitarianism, some individuals must suffer in order to assure the good of the majority. But what happens when some becomes thousands, or even millions? The denigration of individual rights inevitably leads to the destruction of the community's rights. Totalitarian states and their dominant elites abuse their subjects just as surely as—and more effectively than—the monarchs and feudal lords of old.

As Americans, we can be proud that our country has indeed fulfilled the promise of the founding fathers to secure the blessings of liberty to their posterity. More than that, Americans have been in the forefront of those that would extend such benefits to all people. When we remember the Holocaust and do our utmost to see that this blot on humanity is never repeated—and when we press the case of the prisoners of the Gulag—we do credit to our finest traditions.

The third message is conveyed by the State of Israel. Founded as a haven for persecuted Jews, Israel embraced Anatoly Shcharansky just as it welcomed the survivors of the Holocaust. More than that, Israel has provided its people with a degree of liberty rare in most of the world. It is no accident that Israel is a center for innovation in medicine, agriculture, and other sciences; its people are free to fulfill their potential. It is no accident that Israel and the United States maintain such close ties—and, similarly, are hated by the same forces. Both countries share the same moral and philosophical underpinning.

The redemption from the depths of Nazi and Soviet oppression and the triumph of Israel's rebirth, though far from these shores, go to the heart of what America is about. For the first century and a half of this country's independence, the turmoil of the rest of the world had but a marginal impact on this country. Today, the fate of the United States and the fate of the world are inextricably linked. We did not ask for global responsibility; it was thrust upon us. We will continue to be tested in how we use our power, for with power comes obligation. If we can use our strength as a lever to pry open the doors of prisons, as a ram to batter down walls of confinement, as a driving force to rebuild that which is laid waste—then we will do honor to those who founded this republic and inspire those who will follow us.

ANATOLY SHCHARANSKY

HON. MICHAEL D. BARNES

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 14, 1986

Mr. BARNES. Mr. Speaker, there are few moments of such historic import as this time in which we welcome (Natan) Anatoly Shcharansky.

And it is a rare occasion when we can honor, in person, such a dedicated and courageous individual, a man who understands so well—better than most of us—the value of liberty and the great costs that come when one must fight, and be willing to give years of one's life, to gain it.

As a leader in the Soviet Jewish emigration movement and a founding member of the Moscow Helsinki Monitoring Group, Natan Shcharansky became, together with still-exiled Nobel Laureate Andrei Sakharov and imprisoned South African antiapartheid leader Nelson Mandela, among the best known prisoners of conscience in the world. And as a tireless advocate for his freedom, his wife Avital has come to symbolize the kind of persistence that leads to success.

Shcharansky never let his Soviet oppressors win. When they arrested him and made him stand trial on false charges of espionage, Shcharansky never let go of his cause or stopped his fight. When he was denied the right to an attorney of his choice, he insisted on defending himself. When, while in prison, they denied him the right to see his relatives, he went on a 110-day hunger strike to protest these violations by the prison administration. When they did their best to break him, to humiliate him, he never gave up.

On February 11, 1986, millions of us watched television coverage of Anatoly Shcharansky's walk to freedom. In that almost unbelievable moment, a dream came true.

But Shcharansky reminds us that his personal victory is only 1 against 400,000 who are still struggling. He calls on the free world to intensify its pressure on the Soviet Union to abide by the terms of the Helsinki agreement.

About 400,000 Soviet Jews still seek to emigrate to the Soviet Union. The over 2 million Jews living in the Soviet Union continue to face, as Martin Luther King, Jr., once said, "a kind of spiritual and cultural genocide." Hebrew teachers and cultural activists continue to be the targets of Soviet Government harassment and brutality.

I am very grateful that Anatoly Shcharansky continues his quest for human rights on this side of the Iron Curtain. All of us who have spent many years working for the cause of Soviet Jewry look to his leadership and his fine example to help us move to future successes for Soviet Jewry.

Anatoly Shcharansky has taught us a lesson about perserverance, about the power of faith, and the strength of commitment. He has shown us the extraordinary capacity of the human spirit to survive under the most oppressive conditions.

During his trial, Anatoly Shcharansky turned his back on the judges in his trial, and faced his brother Leonid. He delivered a moving and courageous statement. He said, in part:

> I understand that to defend oneself in a semi-closed trial such as this is a hopeless case from the very beginning * * *. Five years ago, I submitted my application for exit to Israel. Now I'm further than ever from my dream. It would seem to be cause for regret. But it is absolutely otherwise. I am happy. I am happy that I lived honestly, in peace with my conscience. I never compromised my soul, even under the threat of death.

It is a great day in America when we can be honored by the visit of a man of such great moral courage. I join every American in welcoming Anatoly Shcharansky to the United States. And I join all freedom-loving people of the world in celebrating his new-found liberty.

THE WORKMEN'S CIRCLE: A VANGUARD FOR FREEDOM

HON. STEPHEN J. SOLARZ

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 14, 1986

Mr. SOLARZ. Mr. Speaker, I would like to take this opportunity to pay tribute to one of this country's most significant labor and social organizations—the Workmen's Circle. On May 15–18 of this year, they will be holding their biennial convention in Swan Lake, NY. As a member of the House Committee on Education and Labor, I am proud to be able to honor this historically important group.

The Workmen's Circle was founded at the turn of the century with the purpose of promoting Jewish culture, social justice, and the era's budding trade unionism. Their best known work was done in connection with the labor lyceum, which quickly became know as the Red Cross of Labor Unions. Not only did the lyceum serve as a center for cultural events, providing auditoriums for conventions, lectures and theatrical performances, but it established an extraordinary reputation for answering the most important welfare needs of its community. The lyceum provided medical care, soup kitchens, clothing and books for area residents, and were havens for striking workers and their families.

Characteristic of the group's broad outlook was its great efforts on behalf of union movements nationwide and worldwide. Whether it was steel workers in Pennsylvania or coal miners in New York, the Workmen's Circle was in the forefront of efforts supporting their struggles.

Indeed, it was their close relations with East European labor organizations that led them to be one of the first groups publicizing Hitler's "final solution" and the gassing of the Jews in Nazi extermination camps. They were also a prime source of succor for those victims of Nazi aggression who had been able to come to the United States.

Forty years later the Workmen's Circle is still in the vanguard of the international humanitarian movement. Especially praiseworthy are their efforts on behalf of the Soviet Jewish community, in which their talents and energies have proven decisive. Clearly, if it weren't for groups such as this, the fight to secure Jewish rights throughout the world would be severely weakened.

The circle is still a powerful force in the welfare of the New York City community. They continue to sponsor choral and orchestral groups, youth clubs, sports and recreational activities and their labor lyceums are still going strong.

The Workmen's Circle has made both New York and the Nation a better place to live. Their efforts to improve the life of their fellow men have met with truly resounding success, success which I am sure—given their dedication—will continue in the years ahead. I wish them all the best, and I thank them deeply.

SUPPORT FOR HOUSE CONCURRENT RESOLUTION 310

HON. DOUG BEREUTER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 13, 1986

Mr. BEREUTER. Mr. Speaker, due to official business and the primary election in my State it was necessary for me to miss the debate on House Concurrent Resolution 310; however, I want, for the record, to express my strong support of House Concurrent Resolution 310 which expresses the sense of Congress that the Farm Credit System should use every feasible alternative to restructure their troubled loans rather than foreclosure. House Concurrent Resolution 310 would not mandate that the FCS make any changes in loan procedures that would endanger the stability of its resources. Instead, it provides a clear indication that the FCS should apply forebearance to its foreclosure policies.

As a member of the House Banking Committee, I believe that committee has been instrumental in pushing bank regulators to make the changes necessary to enable agricultural banks and farmers to pursue debt restructuring. However, I have become increasingly concerned that in many areas of Nebraska and the Nation, the FCS seems to have taken a "foreclosure" rather than a "forebearance" attitude. It is imperative that Congress registers its concern to the system about that approach. That is the purpose of House Concurrent Resolution 310.

As one considers the magnitude of the agricultural debt problems in my State of Nebraska, it is clear that it not only hurts the individual farmer or rancher—it also has an adverse impact on mainstreet businesses in most Nebraska communities and citizens throughout the State. In Nebraska, the FCS and commercial banks wrote off over $750 million worth of uncollectable agricultural loans last year and farm bankruptcies were at an all time high for recent decades. The number of foreclosures and depressed crop prices has along with other factors, decreased the value of farmland to record lows for recent decades. Farmland values in Nebraska and Iowa have tumbled more than 50 percent since 1981 which is by far one of the most dramatic decreases in farmland sale value anywhere in the Nation. Rather than stand by while farmland is dumped on this depressed market, I have urged the FCS to do everything possible to restructure loans to keep those family farmers which are good operators in business.

After considerable pressure from Congress and several farm organizations, I was pleased to learn that last week the FCS announced that it plans to implement a nationwide loan restructuring policy to help some of the System's troubled farm borrowers. I am also pleased to hear that the System is seeking lower interest rates to keep its rates more competitive with other credit institutions. It is my hope that the FCS fully implements this policy and that it uses every feasible alternative to restructure loans.

While I realize that the FCS has announced a new loan restructuring policy, I believe that the FCS should be aware of the depth of our congressional concerns. Since Congress passed legislation designed to restructure the FCS and provide it with certain lines of emergency credit from the Federal Government, it was entirely appropriate that we adopt this resolution and declare our intent on what the FCS's policy direction should be to keep quality farmers and ranch operators in business. As a cosponsor of House Concurrent Resolution 310, I wholeheartly support the passage of this resolution.

KNOGO CORP.'S 20TH ANNIVERSARY

HON. NORMAN F. LENT

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 14, 1986

Mr. LENT. Mr. Speaker, America's small businesses are the backbone of our vigorous economy. I would like to rise today to bring to the attention of my colleagues a small business success story. This year, the Knogo Corp., of Hicksville, NY, located in my Fourth Congressional District, celebrates its 20th anniversary. During that time, the Knogo Corp. has made outstanding contributions to Long Island's growing economy and has helped revolutionize the retail garment and sales industry.

Knogo's founder, Arthur Minasy, started his company as a one-man operation. Today, Knogo is a $30 million corporation with 400 employees worldwide, 300 of whom work in Knogo's Hicksville headquarters. Arthur Minasy's success is living testament to the entrepreneurial spirit which has made America great.

As a consultant with the New York City Police Department nearly 20 years ago, Arthur Minasy became acutely aware of the growing problems of shoplifting and pilferage in the retail industry. In May 1966, Minasy began work on a device which would detect and deter the shoplifting of soft good items. His efforts helped launch the electronic article surveillance [EAS] industry.

Minasy's invention consists of two basic components: a plastic wafer attached to individual articles by store personnel and removed by sales staff at the point of sale; and detection gates that monitor store exits, triggering an alarm when an unremoved wafer passes through the antenna's field, allowing store personnel to retrieve merchandise.

With continued research, Minasy expanded his product to the hard goods market with the development of electromagnetic [EM] technology. Knogo's EM system uses two types of magnetic targets that can be hidden within a product or attached to the outside with an adhesive strip. Knogo's disposable EM targets are made for one-way items, such as groceries, liquor, shoes, drugstore items. Reusable EM targets, which can be activated or deactivated, are used to protect circulating items, such as library books, records, tapes, and video cassettes.

Despite growing competition in the industry, Knogo has remained a leader in its field by continuing to develop state-of-the-art EAS

technology. Its many surveillance products are used extensively throughout all areas of the retail industry.

Knogo's most recent contribution to the EAS industry is its patented electro thred. About the size of a human hair, electro thred has revolutionized the industry due to its small size and low cost. It can be attached or inserted in merchandise during and after manufacture. This capability reduces cost to the retailer and increases the number of applications.

Arthur Minasy and the Knogo Corp., are a remarkable success story. It is a shining example of American ingenuity and entrepreneurial spirit at work. I congratulate Arthur Minasy and all the Knogo Corp., employees on their 20th anniversary, and I offer my best wishes for continued success.

LEGISLATION TO RESTRICT LOBBYING

HON. BRIAN J. DONNELLY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 14, 1986

Mr. DONNELLY. Mr. Speaker, I am today introducing legislation to restrict lobbying by former Federal employees. My bill would restrict all Federal employees from lobbying the Federal Government for 1 year after they leave Government service, and 2 years if they work for a foreign entity. Further, Federal officials at the Cabinet level are prohibited from ever representing, assisting, advising, or lobbying on behalf of a foreign government.

Anyone who has followed recent news reports recognizes the need for this legislation. Former Federal officials are now openly selling their influence to foreign governments, and bragging about it in the press. These individuals have made it clear, through their actions and their words, that they view their government service as a mere "résumé-builder," a minor inconvenience necessary to achieve the financial rewards they believe they deserve for having endured the government service detour. They sometimes offer nothing to their clients in the way of expertise or legal advice; such individuals merely trade on their influence with the rich and powerful.

These most recent, highly-publicized incidents of influence-peddling starkly illustrate the deficiencies of current laws affecting lobbying activities. My legislation, a companion bill to that introduced in the other body by Senator THURMOND, provides a simple way to prevent those who are employed by the Federal Government from leaving Federal service and marketing their influence for private gain. It prohibits all Federal employees from lobbying the Government for a reasonable length of time. This includes Members of the Congress and the military. The bill also imposes a lifetime prohibition on lobbying by those who have access to the most important Government secrets: Cabinet Secretaries, the Director of the CIA, the U.S. Trade Representative, and high-ranking White House officials. There are mandatory criminal penalties for violations of the law, up to $500,000 in fines and/or imprisonment for 4 years.

Government service is the most important and satisfying work one can choose, and Federal law should be designed to attract the best people to government work. My legislation will ensure that we attract only the most qualified and dedicated employees, and those who view the Federal Government as a mere "stepping stone" will be weeded out. This bill will restore badly eroded public confidence in the integrity of public officials. I look forward to its speedy passage.

THE FIRST BAPTIST CHURCH OF KALAMAZOO: CELEBRATING A BIRTHDAY

HON. HOWARD WOLPE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 14, 1986

Mr. WOLPE. Mr. Speaker, I want to pay special tribute to the First Baptist Church of Kalamazoo on the occasion of its sesquicentennial celebration. Organized in 1836 with 14 members, the church in 1986 continues to serve the individual needs of its members and to be deeply involved in the life of the Kalamazoo community.

Since its founding, the First Baptist Church has remained located at its original downtown Kalamazoo site at 315 W. Michigan. In the year of its founding, the church's pastor, Jeremiah Ball, persuaded the Michigan Huron Institute to settle in Kalamazoo as well. Now known as Kalamazoo College—one of the Nation's most outstanding private liberal arts colleges—this educational institution and the First Baptist Church have histories that are closely interwoven.

There are many dates important to the history of the First Baptist Church of Kalamazoo: 1853, when the present sanctuary—now the city's oldest—was built; 1855, when the trustees of the church and the trustees of the Village of Kalamazoo agreed that the tower clock would serve as the village clock and the tower bell would serve as the village fire alarm; the Civil War, during which 41 church members served the Union and 7 gave their lives; and 1969, when the church renewed its commitment to the central city of Kalamazoo and decided to remain in its existing sanctuary.

Mr. Speaker, the members of the First Baptist Church of Kalamazoo take understandable pride in its historical commitment to an ecumenical spirit and to its involvement in social issues confronting the wider community. The sesquicentennial celebration commemorates the church's founding. It is a very special event, reflective of the church's sense of its own history and its confidence in its future. I feel privileged to represent the members of the First Baptist Church of Kalamazoo and to work with constituents who use the celebration of their history as a means of recommitting and rededicating themselves to their religious heritage and to service to their community.

ESTABLISH A COOPERATIVE INTERNATIONAL PROGRAM TO STUDY THE GREENHOUSE EFFECT

HON. GUS YATRON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 14, 1986

Mr. YATRON. Mr. Speaker, today I am introducing a resolution calling on the President to work toward the establishment of a cooperative international program to study the greenhouse effect. The purpose of this measure is to focus and expand research efforts on this phenomenon.

The greenhouse effect refers to the warming of the Earth resulting from the buildup of certain gases (of which carbon dioxide and methane are the most prominent) that block the escape of heat from the planet's surface. Many scientists have developed models which indicate that the greenhouse effect could have far-reaching and perhaps catastrophic social and economic consequences. Climatic changes resulting from the continued buildup of greenhouse pollutants could turn prime agricultural areas of the United States and elsewhere into dust bowls. It could also melt polar ice caps, raise sea levels, and put most major world ports under water. Deforestation, desertification, and loss of wildlife would also be aggravated.

It is thought that appreciable greenhouse warming has already occurred and that the rate of warming will accelerate in the future. According to a draft of international scientific report by 150 scientists from 11 countries coordinated by NASA, greenhouse warming over the next 50 years is expected to be about twice that which has occurred during the previous 130 years. Over the next 100 years, the atmosphere could be warmed by as much as 9 degrees Fahrenheit and ocean levels could rise by 7 feet.

The buildup of greenhouse pollutants in the atmosphere is primarily a consequence of the industrial revolution through the burning of fossil fuels. In fact, carbon dioxide levels have doubled since 1955.

While there are a range of views within the scientific community on what the greenhouse effect means for present and future generations, there is a consensus that the problem is real and threatening. Present knowledge is incomplete, but we continue to proceed with the massive pollution of the atmosphere without knowing the consequences. This is a most dangerous gamble. As legislators, we have a responsibility to anticipate potential dangers to society and act to prevent, or mitigate them.

I believe that my resolution is a first step in that direction. It does not prescribe specific actions, but recognizes the need for more precise information as a prelude to prudent policy. It endeavors to accelerate efforts to eliminate the remaining areas of uncertainty. Because of the international dimension of the problem, the measure specifically calls on the President, in cooperation with other international organizations and actors, to establish a long-term study on the greenhouse effect and to coordinate actions with other nations.

The international community has been addressing other atmospheric pollution problems. A Convention on Ozone Depletion has been negotiated under the auspices of the U.N. Environment Program, and acid rain is being extensively examined by the Economic Commission for Europe and other organizations. I am hopeful that my measure will precipitate similar action on the serious greenhouse problem. As chairman of the House Foreign Affairs Subcommittee on Human Rights and International Organizations, which has jurisdiction over global environmental issues, I will continue my efforts to address atmospheric pollution.

ESTABLISH A COOPERATIVE INTERNATIONAL PROGRAM TO STUDY THE GREENHOUSE EFFECT

HON. BILL GREEN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 14, 1986

Mr. GREEN. Mr. Speaker, today I join with three of my colleagues in introducing a resolution calling on the President to take appropriate actions to establish a cooperative international program to study the greenhouse effect. This measure is intended to encourage a United States led, focused effort by all nations to understand and document the existing state of greenhouse gases in the atmosphere, and the potential for future changes, in order to develop strategies so that we may ameliorate their detrimental effects.

Man is presently conducting an unintended, global experiment which may affect our own as well as many future generations. Human activities, such as the burning of fossil fuels, deforestation, and industrialization, are releasing gases into the atmosphere and oceans which are likely to cause global temperatures to rise steadily from now into the distant future. A recent meeting of international scientists observed that an "appreciable" greenhouse warming may have already occurred and that the rate of warming may "accelerate in the future." Among the gases of concern are: carbon dioxide, methane, and chlorofluorocarbons. Some of these gases are increasing at rates ranging up to 7 percent per year, some of them have lifetimes of hundreds of years, and all of them can contribute to global warming.

The problem of increasing greenhouse gases and their expected effect on global temperatures is directly related to many other major environmental issues such as climate change, acid rain, ozone depletion, deforestation, and the melting of glacial ice. The potential impact of this global warming will directly affect almost all aspects of our national economy, ranging from the effects of changes in rainfall patterns on agricultural productivity to the consequences of sea level rise on our coastlines.

The United States has been studying this phenomenon for several years throughout many branches of government, in universities, and in research institutes. Internationally, groups of scientists have gathered to discuss and compare their research results. It is time now to ask all nations to join us in a cooperative effort to understand the potential effects on the environment of their national activities. Our goal is to generate a coordinated global response to probable harmful effects before they occur.

Mr. Speaker, I recently joined with over 150 of my colleagues in introducing a major bipartisan resolution to amend the Clean Air Act to reduce acid deposition. I look forward to the day when the proposed international year of study of the greenhouse effect will lead to similar bipartisan legislation to take action to reduce the risks of global warming on the United States, and also to join with other nations to reduce its global impact.

The resolution follows:

H. CON. RES. 338

Concurrent resolution expressing the sense of the Congress that the President should take appropriate actions toward the establishment of a cooperative international program to study the greenhouse effect

Whereas it has been documented that a continuing increase in the concentration of certain trace gases in the global atmosphere may result in a phenomenon known as the greenhouse effect;

Whereas it has been predicted that the greenhouse effect could result in many adverse global impacts, including changes in climatic patterns which would cause alterations in agricultural productivity and patterns of land use; deforestation, desertification, and loss of wildlife diversity; and the melting of glacial ice, resulting in a rise in sea levels worldwide;

Whereas human activities, including the burning of fossil fuels and tropical deforestation, are primarily responsible for changes in the release of "greenhouse" gases into the atmosphere;

Whereas all nations may be adversely affected if the greenhouse effect occurs, and each nation has an interest in protecting the Earth from the environmental threat; and

Whereas the magnitude of the impact of the occurrence of the greenhouse effect is only beginning to be understood: Now, therefore, be it.

Resolved by the House of Representatives (the Senate concurring), That it is the sense of the Congress that—

(1) the United States should promote and support—

(A) domestic and international efforts to study the greenhouse effect and its impact;

(B) studies of methods to reduce the rate increase in the concentration of "greenhouse" gases in the global atmosphere; and

(C) efforts to prevent degradation of the environment of the Earth by the greenhouse effect;

(2) the President should take all appropriate actions, in cooperation with relevant organizations (such as the United Nations Environment Program, the World Meteorological Organization, the Intergovernmental Oceanographic Commission, and any other international, regional, or nongovernmental organization which the President determines to be appropriate), to establish a long-term study, beginning with a 1-year cooperative international program, with respect to the greenhouse effect with the purposes of—

(A) increasing the worldwide dissemination of information with respect to the cause of the greenhouse effect and methods to alleviate or avoid the effect;

(B) coordinating the efforts of the participating nations to study the greenhouse effect;

(C) fostering cooperation among nations to develop more extensive efforts to study the greenhouse effect;

(D) preparing a report on the accomplishments of the program;

(E) identifying the potential alternative policies necessary to avoid a buildup of "greenhouse" gases beyond levels which could have catastrophic results; and

(F) developing a long-term plan for future efforts to study the greenhouse effect;

(3) this cooperative international program should be started during or before the calendar year 1990; and

(4) United States participation in this cooperative international program should be planned and coordinated by the Secretary of State and other appropriate Government officials.

FRANK HARRISON: YAVAPAI INDIAN, ARIZONAN AND CIVIL LIBERTARIAN

HON. MORRIS K. UDALL

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 14, 1986

Mr. UDALL. Mr. Speaker, on Sunday, April 6, Frank Harrison of the Fort McDowell Indian Community in Arizona, passed away. While there are few who will recognize the name of Frank Harrison, he was well-known and respected among the Indians of Arizona and played a central role in a famous civil liberties case decided by the Arizona Supreme Court when my father was a member of the Court.

It was through Frank Harrison's personal courage and efforts in concert with that of his fellow tribesman, Harry Austin, that a 1948 decision of the Arizona Supreme Court reversed a 20-year-old decision prohibiting Indians from voting in State and national elections.

I am rather proud that my father, Judge Levi S. Udall, wrote the opinion of the court in Harrison versus Laveen. Judge Udall, quoting from the noted Indian law scholar Felix S. Cohen, stated in his decision:

> In a democracy suffrage is the most basic civil right, since its exercise is the chief means whereby other rights may be safeguarded. To deny the right to vote where one is legally entitled to do so, is to do violence to the principles of freedom and equity.

While the full right to vote was not secured by Arizona Indians until the mid-1960's, the decision in the case of Harrison versus Laveen provided a firm foundation for the eventual attainment of that right and the many other civil rights for Indian citizens.

Frank Harrison will be missed by his family and friends and should not be forgotten as one who fought a small, but important battle for Indian rights.

Mr. Speaker, I am inserting at the end of my remarks the transcript of a slide-tape program developed by the Intertribal Council of Arizona on the history of Arizona Indian voting rights and the role of Frank Harrison.

THE HISTORY OF ARIZONA INDIAN VOTING RIGHTS

(Slide-tape Program Script)

"When we went, Roger Laveen was still living. We tried to get registered, one time. A young man—he refused to register us: 'You're under the ward of government'."—(Frank Harrison)

To live harmoniously, the American Indian peoples developed ways to solve problems that affected their communities. Forms of public decision-making or governments were evolved to meet the varying needs of different Indian peoples.

The United States government recognized these independent political organizations and treated them as sovereign nations through the process of making formal treaties with tribes. As non-Indians pushed into Indian lands the government of the United States forced tribes onto reservations that were only fractions of the former territories on which Indian people had lived. Although forced to give up vast tracts of their homelands, tribes did retain governmental rights on the lands they kept. In this process, Indian people were put into a unique position. They remained tribal citizens but also became citizens of the United States though their full rights of citizenship did not come until this century and only as a result of the efforts of Indian people with the support of Indian rights organizations and their allies.

One of the major issues in this struggle has been the right of Indian people to vote, a basic right in a democracy. In Arizona, the right of Indian people to vote in national and state elections has been realized through the initiative and courage of people such as Frank Harrison and the late Harry Austin.

Before World War I, Indian people in Arizona who lived on reservations were not legal citizens of the United States. When the United States entered the war in 1917, Indians were exempt from the draft. However, more than 8,000 Indian men and women voluntarily served in the armed forces; many of them giving their lives in defense of their homes. In response to the contribution of Indian people in the war and through a major political effort of Indian rights leaders such as Dr. Carlos Montezuma, a Yavapai Indian, Congress passed the Indian Citizenship Act in 1924.

The fact that Indians were U.S. citizens did not make them eligible voters in Arizona. In an attempt to gain recognition of the right of Indians to vote in Arizona, a lawsuit was filed in 1928 by Peter Porter, a Pima Indian from the Gila River Reservation. But the Arizona Supreme Court ruled against the case asserting that Indians were under FEDERAL GUARDIANSHIP and that the State Constitution denied the vote to "mental incompetents and people under guardianship."

Facing World War II and the need for a universal draft, Congress again affirmed the citizenship of all Indian people—on or off reservations—in the Nationality Act of 1940.

Over 25,000 Indian men and women served in the United States armed forces in World War II. Many served with highest distinction, and some became national heroes such as Ira Hayes, the Pima Indian famous for the raising of the U.S. flag at Iwo Jima.

At the end of World War II, many Indian veterans returned to their reservation homes in Arizona. These veterans learned that the country which had willingly accepted their sacrifices in the name of democracy on the battlefield, denied them the opportunity to protect democracy through political action—that is the right to vote.

Frank Harrison, a Yavapai Indian, returned from his service in World War II to the Fort McDowell Indian Reservation. Before the war he had worked for the Federal Government, participating with other Indian men in the construction of Bartlett Dam on the Verde River. Although Indian men were repeatedly turned away from jobs on the project, some had continued to apply for construction work insisting that they were qualified. Finally, Indian men were admitted to unions and hired. Frank Harrison observed that persistence led to success.

After the war Frank Harrison saw the elderly in his community facing hard times. His own parents were doing heavy labor to make ends meet. But under the same 'federal guardianship' rationale as with voting, Indians in Arizona were denied Old Age Assistance and other federal benefits. These benefits were denied even though, just as with other Americans, payroll taxes were deducted from Indian peoples' paychecks to finance federal programs.

Frank Harrison decided to do something about this problem of benefits. He got in touch with Arizona Congressman Richard Harless and with Lemuel and Ben Mathews.

Congressman Harless and Lemuel Mathews had served as attorneys in numerous suits on behalf of individual Indians and tribes. They decided to challenge the legal barrier—the idea of denying rights to Indians because of the misleading "federal guardianship" issue. This challenge would simultaneously enable Indians to vote and to receive other citizens' benefits that were continually denied them.

Another member of the Fort McDowell community joined the battle. Tribal Chairman Harry Austin had long been known as an outspoken fighter for Indian rights. On November 8, 1947 Harry Austin and Frank Harrison both walked into the Maricopa County Recorders office in Phoenix to register to vote.

The County Recorder refused to register the two Yavapai men. Their attorneys immediately filed suit and when the Superior Court ruled against the case, they appealed the decision to the Arizona Supreme Court.

Civil libertarians and Indian rights activists throughout the country followed the progress of the lawsuit. The American Civil Liberties Union, the National Congress of American Indians and the U.S. Attorney's office actively participated by contributing legal briefs in support of the case.

On July 15, 1948 the Supreme Court of Arizona unanimously overruled the previous opinions. Judge Levi S. Udall, father of Congressman Morris Udall, quoted the Indian law scholar Felix Cohen and stated in his decision:

"In a democracy suffrage is the most basic civil right, since its exercise is the chief means whereby other rights may be safeguarded. To deny the right to vote where one is legally entitled to do so, is to do violence to the principles of freedom and equality."!

After the court decision, Arizonans, both Indian and non-Indian saw new opportunities—they also anticipated new problems and the intensification of old problems.

Some Indian people were unsure about their newly won voting rights. Many did not see themselves as active participants in the federal and state political process—simply because they did not view it as their process. Some feared that involvement in this non-Indian process would lead to taxation, further loss of reservation lands, and the termination of their special relationship with the federal government. These fears stemmed in large part from statements generated by the non-Indian community.

Despite these fears, the decision in the voting-rights lawsuit set a firm basis for the eligibility of Indian people to the rights of full citizenship in education, health and social services.

But other legal barriers still had to be overcome. In 1948 an article in the Arizona Republic newspaper noted:

"To be eligible to register and vote, Indians must meet all the customary requirements, Including age, residency, ability to write and to read the Constitution without prompting. * * *

"It was estimated that 80 to 90 percent of the State's Indian population could not meet all these requirements, primarily because of illiteracy."

Arizona was made subject to the Federal Voting Rights Act requirements in 1965 because of discrimination against Mexican-Americans and Indian citizens. Increased educational opportunities for Indian people reduced the impact of the literacy requirements when they were struck down by the Voting Rights Act Amendments of 1970. But problems, some intentional and some the result of insensitivity, continued to exist until 1976, when the Arizona State legislature passed a law which allowed a voter to bring someone of his or her own choosing to help in voting.

There were also physical barriers which remain obstacles even today. Geographical isolation and long travel distances make it difficult for many Indian people living on reservations to register and to vote.

The actions of Harry Austin and Frank Harrison are part of a historical process that began before their time and which continues today. Many of the issues raised at the conclusion of the lawsuit in 1948 are still controversial. For instance there is continued resistance to the election of Indian citizens to official positions in Navajo and Apache county. These issues can also be seen in the San Carlos Apache Tribe's successful objection in 1982 to the proposed redistricting plan which would have split and diluted the strength of the Apache vote.

Indian peoples are citizens of their state as well as their tribes. If Indian citizens cannot participate in the state electoral processes—if they cannot vote—then the principles of democracy are seriously weakened. If Indian citizens cannot or will not vote, then the achievements of Harry Austin and Frank Harrison can be lost and their sacrifices made meaningless.

Frank Harrison continues to set a goal for all of us when he states:

"Well, that's one thing we all look for—Freedom. We don't think about fighting each other, from now on we know better. My only hope is to help each other and get along.

ALLOCATION OF OPERATING RIGHTS AT AIRPORTS

HON. NORMAN Y. MINETA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 14, 1986

Mr. MINETA. Mr. Speaker, today I have introduced legislation H.R. 4824, to set aside a

regulation of the Department of Transportation which permits airlines to buy and sell take-off and landing rights at four of the busiest airports in the country, LaGuardia, Kennedy, O'Hare, and National. I am joined in cosponsoring this legislation by Majority Leader WRIGHT, Congressman HOWARD, chairman of the Committee on Public Works and Transportation, Congressman HAMMERSCHMIDT, ranking minority member of the Subcommittee on Aviation, Congressman ANDERSON, former chairman of the Subcommittee on Aviation, my Public Works Committee colleagues, Congressmen NOWAK and MOODY, and Congressman WILLIAMS.

The DOT buy-sell regulation is highly objectionable because it would allow the airlines to sell valuable operating rights—slots—which they received from the public at no cost. It is estimated that there are about 4,200 slots at the four airports and that the average value of a slot will be more than $100,000. The airlines holding slots at the four airports received them from airline scheduling committees. These committees were composed of airline executives from the carriers serving each airport and the committees operated under an antitrust exemption.

The DOT rule permits the airlines to retain 95 percent of the slots they received from the scheduling committee and to sell these slots to the highest bidder. This giveaway to the private sector is unconscionable at a time when we are cutting needed domestic programs to reduce the massive budget deficits created by Reagan administration policies.

The administration believes that allowing slots to be bought and sold is the best way to allocate the slots because, in their opinion, the process will result in the slots going to the carriers willing to pay the most for them. In the administration's view, the airlines willing and able to pay the most for the landing and takeoff rights would be the carriers which would provide the service most desired by the public.

I am not fully convinced that a market mechanism, such as buy-sell, is the best way for the Government to allocate the limited resource of airport slots. However, as was brought out at our extensive hearings on this issue last fall, other methods of slot allocation—scheduling committees, lotteries, et cetera—all have their disadvantages and there is no perfect solution to the problem. I am willing to accept a market mechanism, but only if we can be sure that some of the proceeds from the sale of slots will accrue to the public which gave the airlines this valuable resource in the first place. Under my bill, a portion of the profits from slot sales will go to the Airport and Airway Trust Fund where the money can be used to improve the capacity of the airport system.

The bill I have introduced would set aside the DOT rule permitting slots to be sold and give DOT 120 days to establish a new system for allocating slots. In view of the many difficult technical and policy issues involved in allocating slots, the bill does not require DOT to use a particular method of allocation, but gives DOT discretion to choose between several market and nonmarket mechanisms. Basically, DOT is given a choice between continuing the historic method of allocating slots through scheduling committees, or going to a market system. These options are described in detail in the section-by-section analysis below.

If the scheduling committee option is chosen, DOT is required to adopt a deadlocking breaking mechanism that uses either a lottery to reallocate at least 5 percent of slots to new entrants, or a 6-month lease by the Government of at least 5 percent of the slots. The lease proceeds would go into the trust fund and any interested carrier—new entrant or existing carrier—could be lessees.

If DOT chooses the market option, the Government would sell slots with the proceeds going into the Airport and Airway Trust Fund. Following the original sale, carriers could sell the slots they have purchased from the Government with 20 percent of the profits going into the trust fund.

Under my legislation, there are several principles which DOT must follow, whichever method of allocation it chooses. To protect service to small and medium size communities, there must be separate slots for air carriers and commuters and slots must be made available for essential air service. In addition the bill requires FAA to establish a use-it-or-lose-it mechanism so that unused slots will be returned to the Government and reallocated. Furthermore, slots must be made available as needed for scheduled and charter foreign air transportation.

Under my legislative proposal, buying and selling of slots would be allowed in specific instances. However, unlike the buying and selling permitted under the present DOT rule, my bill requires that the proceeds from the first sale or lease go into the Airport and Airway Trust Fund. This will ensure that the public receives at least some of the benefits accruing from the sale of the valuable operating rights created by public action. It will also explicitly and firmly establish that these slots are not property rights. Rather, they are operating priviliges within the exclusive control and jurisdiction of the Administrator of the FAA and the Congress.

Although my bill gives DOT some discretion to choose between two methods of slot allocation, each of the methods provides opportunities for new entrants and existing carriers to obtain slots to compete with the carriers now holding the slots. This competition will carry out the objectives of airline deregulation, and ensure that the carriers serving the four restricted airports operate efficiently, and provide the service most needed by the traveling public.

A section-by-section analysis of the bill follows:

SECTION-BY-SECTION ANALYSIS OF BILL ON ALLOCATION OF OPERATING RIGHTS AT HIGH DENSITY AIRPORTS

SECTION 1—EXISTING RULES ON SLOT ALLOCATION

The Department of Transportation and the Federal Aviation Administration are directed to repeal recently enacted regulations on the allocation of slots at high density airports. New rules on slot allocation must be consistent with this legislation. Until a new method of allocation is established, the slot allocations in effect on date of enactment shall continue, and slots may not be transferred, except for a trade of slots at the same airport.

SECTION 2—PROMULGATION OF NEW RULE

FAA is directed to establish a new method of allocation within 120 days. The new method shall be either allocation by scheduling committee, or allocation by sale or lease, as further described below.

(a) *General Requirement:*

Whichever method of allocation is chosen, there must be separate slots for air carriers and commuters, and guaranteed slots for foreign air transportation (including charters) and essential air service.

(b) *Allocation by Scheduling Committees:*

If FAA decides to use scheduling committees the following requirements apply:

(i) There must be separate scheduling committees for air carriers and commuters;

(ii) Each scheduling committee must consist of all the carriers currently serving the airport and all carriers wishing to serve the airport with the ability to do so within a reasonable period of time;

(iii) The scheduling committee may reach agreement only by unanimous vote;

(iv) Allocations by a Committee or by a deadlock breaking mechanism shall be effective for six months;

(v) The Administrator must establish a deadlock breaking mechanism to take effect if the scheduling committee has not reached agreement 30 days before the beginning of a six-month period. The deadlock breaking mechanism must make at least 5% of the slots at the airport available for redistribution either by lottery or lease from the government.

If a lottery is used to break deadlocks, the slots shall be given to new entrants, defined as a carrier that does not currently serve the airport or a carrier that currently has fewer than eight slots at the airports. There is a limit on the number of slots a new entrant may get through the lottery. A new entrant may not receive lottery slots which would give it more than eight slots at the airport.

If the slots are leased to break a deadlock the lease may be either by auction to the highest bidder or at a price set by the Administrator to reflect a fair market value. If the price is set by the Administrator, a lottery will be used to select between interested carriers willing to pay the price. The proceeds from leasing shall go into the Airport and Airway Trust Fund. Any slots which a carrier leases from the government may be subleased to another carrier (for the remainder of the six-month lease) either for cash or in a trade for a leased slot at another airport.

There may be a limit established on the total number of slots which a carrier would have to give up through the scheduling committee and deadlock breaking processes. The limit may not be less than 25%. In determining the limit, credit may be given for air carrier slots given up since March 1986 or slots given up by commuters since May 21, 1983.

(vi) The only permissible transfer of slots obtained from scheduling committees or a deadlock breaking mechanism is a trade of slots at the same airport, and the subleasing of leased slots as described above.

(c) *Allocation by Sale or Lease of Slots:*

As an alternative to the scheduling committees, the Administrator may allocate by selling or leasing slots, through an auction or by establishing a fair market price. If a fair market price is set it may be necessary to have a lottery to select between interest-

ed carriers willing to pay the price. The proceeds of the sale or lease shall be placed in the Trust Fund. Slots that are purchased or leased by a carrier may be sold or leased to another carrier. If a slot is sold or leased and the seller or lessor receives more than it paid for the slot, 20% of the profits must be remitted to the Trust Fund.

(d) *Withdrawal of slots:*

The bill provides that slots are not property rights and that slots may be withdrawn by the government in accordance with this legislation or subsequent legislation. The legislation specifically provides that slots may be withdrawn for reasons of aviation safety, airspace efficiency, for deadlock breaking mechanisms established by the Administrator, or to permit allocation by sale or lease. Slots must be withdrawn for nonuse, and to provide slots needed for foreign air transportation or essential air service.

(e) *Limitation on New Slots:*

Before establishing slot restrictions at other airports or cutting back on the slots available at the currently restricted airports, FAA must give Congress 90 days notice. This requirement does not apply in case of an emergency.

(f) *Biennial Review and Reauthorization:*

Not later than January 1, 1987, and every two years thereafter, FAA is required to review the need for slot restrictions at each high density airport. Unless FAA decides to reauthorize a high density rule, the rule will cease to be effective. However, if the rule ceases to be effective, FAA still will have authority to impose restrictions on an emergency basis.

H.R. 1309: STEP ONE IN THE WAR ON WORKPLACE CANCERS

HON. JOSEPH M. GAYDOS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 14, 1986

Mr. GAYDOS. Mr. Speaker, earlier today, the House took the first major step toward eliminating and preventing the cancers that affect America's working men and women.

At an unusual joint subcommittee markup, the Subcommittees on Health and Safety and Labor Standards favorably reported H.R. 1309, the High Risk Occupational Disease Notification and Prevention Act by large margins to the full Committee on Education and Labor.

After extensive hearings, it became clear that some changes in H.R. 1309 were necessary. The bill reported favorably today embodies those changes.

But, even with the changes, the goal is still the same: To prevent and eliminate cancers caused by workplace substances.

The functions of H.R. 1309 can be described in three words—identification, notification, and prevention.

Very simply, the bill provides for the identification of workers who are at risk of diseases as a result of exposures to a number of hazardous and toxic substances during the course of their specific jobs.

The Risk Assessment Board, created in H.R. 1309, is charged with reviewing existing research work, including epidemiological, clinical and laboratory studies, to identify those specific worker populations at risk of specific diseases related to toxic substances, but starting with the 23 substances for which OSHA has promulgated permanent standards.

Second, the bill provides for individual notification to those workers about their risk of the specific disease or diseases by the Secretary of Health and Human Services or by State and local health departments and employers whom the Secretary would certify to handle notifications.

The substitute also provides an opportunity for employers who feel a decision to notify a specific class or category of workers would have an adverse effect to seek judicial review in the appropriate appellate court.

And, finally, the bill provides a system for preventing these diseases by encouraging notified employees to enter into a program of testing, evaluation, and medical surveillance so that the employees' health status can be monitored. It also would offer counseling services to assist employees in making changes with regard to occupation and lifestyle to prevent the disease from arising. But, if it did arise, these changes would reduce the intensity of the disease and allow for treatment at the earliest stage when intervention is most likely to be successful.

The substitute version of H.R. 1309 also revises the role of the health centers who now will provide education, training, and technical assistance to physicians and other health and social service professionals who will conduct the testing, evaluation, medical monitoring, and counseling of notified employees.

The substitute also provides for an authorization of $25 million a year for each of the first 2 years to develop the notification and identification program and for the selection of the first 10 health centers.

For information purposes, Mr. Speaker, I am including a copy of the substitute to H.R. 1309, as reported today.

As I said at the beginning, the purpose of H.R. 1309 is to identify groups of workers in specific occupations who are at risk of diseases because of their jobs and the substances to which they are exposed; to notify those workers of their risks and to encourage them to enter a program of medical surveillance; and finally, to prevent the onset of the diseases or to reduce the intensity of them.

I find it difficult to believe that anyone can oppose the concepts embodied in H.R. 1309. And, since there is nothing in place now that provides for those purposes, I cannot understand how anyone can oppose this bill, and I urge my colleagues who have not yet cosponsored the bill to do so.

The American Cancer Society, in a letter last month, said that it had reviewed the bill and supported it. As they said, "Enactment of your legislation will help prevent and modify risks of occupationally induced cancer."

I think that sums up the purpose of H.R. 1309 as succinctly as possible.

AMENDMENT IN THE NATURE OF A SUBSTITUTE TO H.R. 1309 OFFERED BY MR. GAYDOS

Strike everything after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "High Risk Occupational Disease Notification and Prevention Act of 1986".

SEC. 2. FINDINGS AND PURPOSE.

(1) FINDINGS.—The Congress finds that—

(1) many toxic and hazardous substances, physical agents, materials, and processes are in wide industrial and commercial use in the United States;

(2) a significant number of workers suffer disability or death or both from occupational diseases caused by hazardous occupational exposures;

(3) diseases caused by hazardous occupational exposures constitute a substantial burden on interstate commerce and have an adverse effect on the public welfare;

(4) workers have a basic and fundamental right to know they have been and are being exposed to an occupational hazard and are at risk of contracting an occupational disease;

(5) social and family services that reinforce health promoting behavior can reduce the risk of contracting an occupational disease;

(6) there is a period of time between exposure and the onset of disease when it often is possible to intervene medically in the biological process of disease either to prevent or, by early detection, successfully treat many disease conditions;

(7) a significant number of identifiable occupational populations are at risk of developing diseases because of hazardous occupational exposures;

(8) by means of established epidemiological, clinical, and laboratory studies, it is possible to define and identify very specific worker populations at risk of contracting occupational diseases;

(9) there is no established national program for identifying, notifying, counseling, and medically monitoring worker populations at risk of occupational disease;

(10) there is a lack of adequately trained medical and human service professionals, as well as appropriately staffed and equipped health facilities to recognize, diagnose, and prevent occupational diseases;

(11) there is a need for increased research to identify and monitor worker populations at risk of occupational disease; and

(12) through prevention and early detection of occupational disease the staggering costs of medical treatment and care in the United States can be substantially reduced.

(b) PURPOSES.—It is the purpose of this Act—

(1) to establish a Federal program to notify individual employees within populations at risk of occupationally induced disease that they are at risk because of a hazardous occupational exposure, and to counsel them appropriately;

(2) to authorize and direct the certification of occupational and environmental health facilities which have a primary purpose of educating, training, and advising physicians and social service professionals in local communities throughout the United States to recognize, diagnose, and treat occupational disease;

(3) to expand Federal research efforts to improve means of identifying and monitoring worker populations at risk of occupational disease; and

(4) to establish a set of protections prohibiting discrimination against employees on the basis of identification and notification of occupational disease risk.

SEC. 3. DEFINITIONS.

For the purposes of this Act—

(1) the term "employee" means—

(A) any individual employed by an employer, or

(B) any individual formerly employed by an employer as to whom any Federal agency

maintains records pertaining to work history, or the employer maintains personnel records, medical records, or exposure records;

(2) the term "employer" means any person engaged in commerce or in an industry or business affecting commerce, or any agency of Federal, State, or local government;

(3) the term "Secretary" means Secretary of Health and Human Services;

(4) the term "insurance carrier" means any stock company, mutual company or association, or any other person or fund, or State compensation insurance fund, which is authorized under the laws of the United States to engage in the business of writing insurance;

(5) the term "health care financing system" means a public system for financing health care in the United States, including public health insurance programs, and programs providing health insurance benefits under part A or B of title XVIII of the Social Security Act, medical assistance under a State plan approved under title XIX of such Act, and benefits based on disability under title II or XVI of such Act;

(6) the term "population at risk" means an employee population exposed to hazardous occupational exposures within which an associated disease occurs at a rate 30 percent greater than a comparable population not exposed to the hazardous occupational exposure;

(7) the term "hazardous occupational exposure" means—

(A) any harmful chemical, physical, or biological agent found in the workplace;

(B) any industrial or commercial process or activity found in the workplace which is associated with the risk of disease; or

(C) any occupational activity which is associated with the risk of disease;

(8) the term "medical monitoring" means periodic medical examinations of employees who are at risk of occupational disease;

(9) the term "ethical manner" means conduct that recognizes the voluntary nature of the patient-physician relationship and the confidentiality of information evolving from that relationship; and

(1) the term "Board" means the Risk Assessment Board established by section 4 of this Act.

SEC. 4. RISK ASSESSMENT BOARD.

(a) ESTABLISHMENT.—(1) There is hereby established within the Department of Health and Human Services the Risk Assessment Board. The Board shall consist of five members who shall be career or commissioned Public Health Service employees designated by the Secretary to serve terms of five years except that initially one member shall be appointed for three years, two members for four years, and two members for five years. The Board shall include an epidemiologist, toxicologist, industrial hygienist, physician, and occupational health nurse. The Secretary shall designate one member to serve as Chairman of the Board.

(2) The Board shall report to the Assistant Secretary for Health.

(3) The Secretary shall provide a full-time staff necessary to carry out the functions of the Board.

(b) FUNCTIONS.—(1) The Board shall—

(A) review current medical and other scientific studies and reports concerning the incidence of disease associated with employment;

(B) report to the Secretary on the state of current research with respect to such diseases; and

(C) designate from this review employee populations at risk of disease associated with hazardous occupational exposures, including the size, nature, and composition of the population at risk.

(2) In identifying the population at risk of disease, the Board shall consider the following factors based upon the best available scientific evidence—

(A) agents, materials, or processes, or combinations thereof, that may be toxic based upon epidemiologic and clinical observations of human populations, or animal and laboratory studies;

(B) estimates of increased risk of death and disease in specific sites, systems, or organs of the body in exposed human populations; and

(C) estimates of increased risk of death or disease in exposed human populations related to industrial classifications, job categories, and durations of exposure.

(3) If the Board determines that a class or category of employee is a population at risk of disease, it shall make such a finding and, within ten days of making such a finding, transmit to the Secretary a recommendation that the individuals within such a population at risk be notified under section 5 of this Act.

(4) In making the determination under this subsection, the Board shall not consider the factor of economic feasibility.

(c) PRIORITY.—The Board shall undertake as its first priority to review employee populations exposed to hazardous occupational exposures for which there exists a permanent standard under section 6(b)(5) of the Occupational Safety and Health Act of 1970. The Board shall transmit to the Secretary its findings and recommendations on no less than five of these employees populations within one year from the effective date of this Act.

(d) PROCEDURES.—(1) The Board shall provide notice and opportunity to interested persons for written submission of views prior to making the findings and recommendations described in subsection (b)(3) of this section.

(2) The notification shall—

(A) be published in the Federal Register;

(B) set forth which classes or categories of employees are being considered for inclusion as an employee population to be notified and the reason for such notification; and

(C) take into account the need for prompt action by the Board to meet the objectives of this Act.

SEC. 5. EMPLOYEE NOTIFICATION AND COUNSELING.

(a) Determinations of the Secretary.—(1) The Secretary shall determine whether a class or category of employees is a population at risk of disease based upon the findings and recommendations made by the Board under section 4 of this Act. The Secretary shall review the findings and recommendations without further notice and without public comment.

(2) The Secretary shall make a determination required by this subsection based upon findings and recommendations of the Board unless the Secretary concludes that—

(A) procedural requirements set forth in section 4(d) are not met, or

(B) to do so will endanger the health and safety of a class or category of employees.

(b) NOTIFICATION OF POPULATION AT RISK.—(1) Upon determination by the Secretary that a given class or category of employee is a population at risk of occupational disease, the Secretary shall notify each individual within such population of that risk.

(2) In addition, the Secretary shall make simultaneous use of public service announcements and other means of notification appropriate to reach the population at risk.

(c) CONTENTS OF NOTIFICATION.—The Secretary's notification shall include—

(1) an identification of the hazardous occupational exposure, including the name, composition, and properties of known chemical agents;

(2) the disease or disease associated with the hazardous occupational exposure;

(3) any known latency periods from time of exposure to time of clinical manifestation of the disease;

(4) counseling appropriate to the nature of the risk including, but not limited—

(A) the advisability of initiating a personal medical monitoring program;

(B) the most appropriate type of medical monitoring for the disease associated with the risk;

(C) the name and address of the nearest health center certified under this Act;

(D) the prohibitions against discrimination for notified employees as established under section 8 of the Act;

(E) the availability of health care coverage for notified employees, as established under section 8 of this Act; and

(F) the telephone number of the hot line established under subsection (d) of this section.

(d) TELEPHONE INFORMATION.—The Secretary shall establish a telephone "hot line" for the employees notified under this section for their personal physicians for the purpose of providing additional medical and scientific information concerning the nature of the risk and its associated disease.

(e) DISSEMINATION OF INFORMATION.—The Secretary shall prepare and distribute other medical and health promotion materials and information on any risk subject to notification under this section and its associated disease as the Secretary deems appropriate.

(f) ACCESS TO INFORMATION.—In carrying out the notification responsibilities under this section, the Secretary shall have access to information and data contained in the records—

(1) of any Federal agency solely for the purpose of obtaining names, addresses, and work histories of employees subject to notification under this section; and

(2) of any employer insofar as Federal access is provided for under the Occupational Safety and Health Act of 1970 and the Mine Safety and Health Act of 1977 and regulations promulgated pursuant thereto, including title 29 of the Code of Federal Regulations, section 1910.20, and title 42 of the Code of Federal Regulations, section 85a.

(g) COOPERATION WITH PRIVATE EMPLOYERS AND STATE AND LOCAL GOVERNMENTS.—(1) In carrying out the notification responsibilities under this section, the Secretary is encouraged to cooperate to the extent practicable with private employers and State and local departments of health and may certify a private employer or a State or local government to conduct notification under this section, pursuant to standards to be issued by the Secretary.

(2) Private employers and State and local departments of health certified by the Secretary to conduct notifications pursuant to

subsection (g)(1) of this Act shall assume the costs associated with such notification.

(3) A private employer who has been found to willfully violate a recordkeeping, notification, or hazards communication requirement as promulgated under the Occupational Safety and Health Act of 1970 or the Mine Safety and Health Act of 1977 may not be certified by the Secretary to fulfill the notifications pursuant to subsection (g)(1) for a period of five years from the date of such finding or may have its certification revoked for a period of five years from such finding.

(h) LIABILITY.—The Secretary and the agents of Secretary, including any employer or government acting pursuant to subsection (g) of this seciton, shall not be liable under Federal law for monetary damages with respect to any omission or act performed pursuant to this section.

(i) JUDICIAL REVIEW.—(1) an employer adversely affected or aggrieved by a determination of the Secretary under this Act that is a given class of cateory of employees is a population at risk is entitled to judicial review of that determination in the appropriate United States Court of Appeals upon a petition filed in such court by any interested person. Any petition filed pursuant to this section shall be filed within 30 days after such determination by the Secretary.

(2) The court may set aside the determination of the Secretary under subsection (a) of this section only if the determination is found to be—

(A) arbitrary, capricious, or an abuse of discretion;

(B) contrary to constitutional right, power, privilege or immunity;

(C) in excess of statutory jurisdiction, authority, or limitations; or

(D) without observance of procedure required by law.

(3) The commencement of proceedings under this subsection shall not operate as a stay of the determination of the Secretary to notify employees unless the court specifically orders a stay based upon a determination by the court that the complaining party is highly likely to succeed on the merits.

SEC. 6. HEALTH CENTERS.

(a) SELECTION FROM AMONG EXISTING FACILITIES.—(1) Within 90 days after the effective date of this Act, the Secretary shall establish and certify 10 health centers. The Secretary shall select the 10 health centers from among education resource centers of the National Institute for Occupational Safety and Health and similar facilities of the National Institute for Environmental Health Sciences, the National Cancer Institute, and other private and governmental organizations who may compete for such designation by the Secretary. At a later date, but not more than five years after the effective date of this Act, the Secretary shall establish and certify additional health centers from among the health care facilities described in this paragraph so as to obtain no less than one center per State throughout the United States.

(2) Such centers and personnel assigned to them—

(A) shall be selected on the basis of (i) their demonstrated ability and experience in the recognition, diagnosis, and treatment of occupationally related diseases in an ethical manner, and (ii) their capability to offer training and assistance to physicians and social service professionals engaged in the management of populations and individuals at risk of occupational disease, and to fulfill other functions assigned to them under this section, and

(B) shall be certified as such under criteria developed by the Secretary.

(b) FUNCTIONS OF CENTERS.—The centers shall provide education, training, and technical assistance to personal physicians and social service professionals who serve employees notified under section 5 of this Act. The centers also shall be capable of providing research resources, diagnosis, treatment, medical monitoring, and family services for employees notified under section 5 of this Act.

(c) COST OF TRAINING AND EQUIPMENT.—The Secretary shall be responsible for developing a training program and procuring specialized equipment required under the certification criteria developed pursuant to subsection (a) of this section.

SEC. 7. RESEARCH, TRAINING, AND EDUCATION.

(a) IMPROVED METHODS OF MONITORING AND IDENTIFICATION.—The Secretary shall, primarily through the health centers established and certified under section 6 of this Act, conduct research, training, and education aimed at improving the means of medically assisting employees exposed to occupational health hazards and the means of identifying worker populations exposed to such hazards. Such research, training, and education shall include, but not be limited to, the following areas:

(1) studying the etiology and development of occupationally related diseases and the disabilities resulting from such diseases;

(2) developing means of medical surveillance of employees exposed to occupational health hazards;

(3) examining the medical treatment of workers exposed to occupational health hazards, and means of medical intervention to prevent the deterioration of the health and functional capabilities of employees disabled by occupational disease;

(4) studying and developing medical treatment and allied social services for employees exposed to occupational health hazards;

(5) developing education programs designed to train physicians and social services professionals to assist employees and their families in undertaking measures which ameliorate the effects of those diseases; and

(6) sponsoring epidemiological, clinical, and laboratory research to identify and define additional employee populations at risk of disease from hazardous occupational exposures.

(b) ACCESS TO RECORDS.—In conducting its research, training, and education, the Secretary shall have access to prior and current employment, occupational, and health-related data and information maintained by agencies of the Federal Government.

(c) AUTHORITY TO EMPLOY EXPERTS AND CONSULTANTS.—In carrying out activities under this section, the Secretary is authorized to engage the services of experts and consultants as deemed necessary.

SEC. 8. EMPLOYEE TESTING, EVALUATION, MEDICAL MONITORING, AND DISCRIMINATION.

(a) ALLOCATING COSTS.—The costs of testing, evaluation, and medical monitoring required by an employee as a result of a hazardous occupational exposure and subsequent notification by the Secretary that such employee is in a population at risk—

(1) shall be assumed by the current employer if any part of the hazardous occupational exposure occurred in the course of that employment;

(2) may be assumed by the current employer or shall be made available by that employer at cost if no part of the hazardous occupational exposure occurred in the course of that employment; or

(3) shall be made available at cost for an individual purchaser of health care as provided for in subsection (b).

(b) PROVIDING SERVICES.—The means of providing for employee testing, evaluation, and medical monitoring may include, but are not limited to—

(1) employer self-insurance and employer-provided health care programs;

(2) contractual agreement between an employer or a health care financing system and—

(A) a health maintenance organization;

(B) a public hospital;

(C) a public health clinic; or

(D) a health facility owned or operated by employees or an employee organization.

(c) QUALIFICATION OF HEALTH CARE FINANCING SYSTEM.—Each health care financing system shall provide for appropriate testing, evaluation, and medical monitoring services to employees in order to carry out the purposes of this Act.

(d) DISCRIMINATION PROHIBITED.—No employer or other person shall discharge or in any manner discriminate against any employee on the basis that the employee is or has been a member of a population that has been determined by the Secretary to be at risk of disease and shall not discriminate against such an employee by refusing to provide for testing, evaluation, and medical monitoring at cost.

(e) BENEFIT REDUCTION PROHIBITED.—If, following a determination by the Secretary under this Act, it is medically determined by the employee's personal physician in consultation with the employer and his medical representative, that such employee should be transferred to a less hazardous or nonexposed job, the employee shall maintain the earnings, seniority, and other employment benefits as though the employee had not been transferred from the former job.

(f) REVIEW OF DISCRIMINATION COMPLAINTS.—(1) Any employee who believes that he or she has been discriminated against by any employer or employer's agent in violation of subsection (d) or (e) of this section, may, within six months after such violation occurs, apply to the Secretary of Labor for a review of such alleged violation. Upon receipt of such application, the Secretary of Labor shall cause an investigation to be made as he deems appropriate. If upon such investigation the Secretary of Labor determines that the provisions of subsection (d) or (e) of this section have been violated, he shall bring an action in any appropriate United States district court. In any such action, the United States district courts shall have jurisdiction for cause shown to restrain violations of subsection (d) or (e) of this section and order all appropriate relief under subsection (g) or (h) of this section.

(2) Within 90 days of the receipt of the application filed under this subsection, the Secretary of Labor shall notify the complainant of his determination under paragraph (2) of this subsection. If the Secretary of Labor finds that there was no such violation, he shall issue an order denying the application.

(g) REINSTATEMENT AND OTHER RELIEF.—Any employee who is discriminated against in violation of this section shall be restored to his or her employment and shall be compensated for—

(1) any lost wages (including fringe benefits and seniority);

(2) costs associated with medical monitoring; and

(3) costs associated with bringing the allegation of violation.

(h) CIVIL PENALTIES.—Any person or institution that discriminates against an employee in violation of this section shall be liable for a civil penalty of not less than $1,000 or more than $10,000 for each violation as may be determined by the Secretary of Labor.

SEC. 9. ENFORCEMENT AUTHORITY.

(a) INJUNCTIVE RELIEF.—Whenever the Secretary determines that any person or institution is engaged or is about to be engaged in an act or practice constituting a violation of this Act or any rule or regulation promulgated under this Act, the Secretary may bring an action in the proper United States district court to enjoin such acts or practices, and upon a proper showing an injunction or permanent or temporary restraining order shall be granted without bond. The provisions of section 5(h) shall not limit the authority of the Secretary under this subsection.

(b) EFFECT ON OTHER LAWS.—The notification of an employee pursuant to this Act that such employee is in a population at risk and the initiation of medical evaluation and monitoring shall not constitute or in any way affect a claim for compensation, loss, or damage arising out of the hazardous occupational exposure, except that the results of such medical evaluation and monitoring may be introduced as evidence with respect to such a claim. Notification pursuant to this Act shall not toll any statute of limitations with respect to filing a timely claim.

SEC. 10. AUTHORIZATIONS.

There are authorized to be appropriated $25,000,000 for each of the fiscal years 1987 and 1988 to carry out the provisions of this Act.

SEC. 11. EFFECTIVE DATE.

Except as may be otherwise provided therein, the provisions of this Act shall become effective six months after the date of enactment of this Act.

FREE TRADE MUST PREVAIL

HON. JIM COURTER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 14, 1986

Mr. COURTER. Mr. Speaker, I would like to bring to the attention of my colleagues a very appropriate article on trade between New Jersey and Canada recently written by Mr. Patrick Witmer of the New Jersey State Chamber of Commerce.

Even though the U.S. economy is experiencing one of the longest expansions on record, critics of Reaganomics have, in desperation, turned to the trade deficit. Critics claim that the United States has lost jobs to foreign competitors. The United States, in fact, has added far more jobs than all other industrial countries combined. Ten million new jobs have been created since the expansion began in 1983.

As Alan Reynolds of Polyconomics has pointed out, U.S. imports always expand rapidly when the U.S. economy is expanding rapidly; U.S. exports likewise grow when the economies of our trading partners are doing well. The protectionist solution, reducing imports by implementing quotas, could produce a recession by raising costs at home and bankrupting debtor countries abroad.

I commend the following excellent essay by Pat Witmer in Garden State Report to my colleagues.

PARTNERS IN TRADE—NEW JERSEY AND CANADA PERFECT TOGETHER

(by Patrick J. Witmer)

Can a jobs program requiring no public funding and which, according to the United States Department of Commerce, has resulted in the creation of more than 55,000 jobs in New Jersey be improved upon? Absolutely, say many international trade analysts and government officials.

The program is the growing, but undernourished trade relationship that exists between Canada and New Jersey. In 1984, trade between Canada and the Garden State surpassed $2.4 (U.S.) billion. But this relationship, which has such a dramatic effect on our economy, remains virtually unnoticed by most New Jerseyans. Now, however, myriad ideas aimed at expanding the state's trade relationship with Canada are surfacing and deserve the attention of the business community as well as state government. First, however, an overview of United States, Canada and New Jersey trade relations is in order.

Canada and the United States have the largest bilateral trade and economic relationship in the world. In 1984, two-way trade between our countries exceeded $112 (U.S.) billion. American exports to Canada during that year accounted for more than 21 percent of all United States exports. Ontario alone buys more from the United States than does Japan. Meanwhile, America reaffirmed its position as Canada's best customer in 1984 by absorbing about 75 percent of Canada's total exports: One of every five Canadian jobs is dependent on United States purchases.

In 1984, New Jersey ranked tenth of all states in total exports—including chemicals, industrial machinery, tools and equipment and agricultural—to Canada. Meanwhile, Canada's exports to New Jersey were dominated by lumber, paper, aluminum and other precious metals: These items represented over 25 percent of all imports to our state from Canada.

Ming Hsu, director of the New Jersey Division of International Trade, predicts that Canada and New Jersey will continue to strengthen their interdependent relationship. One problem Ming Hsu cites, however, is that "the Canadian market is seen as a domestic market by many United States firms. Often there is little specialized market efforts generated to Canada." Ming Hsu believes few people realize how important Canadian trade is and she thinks New Jersey "may be able to export more if our firms would develop a better understanding of (the Canadian) market." If the diverse Canadian marketplace is changing as rapidly as its economic policy, this could be a very difficult task.

Over the past year, Canada has undertaken a significant program aimed at attracting more United States investment dollars into its economy. From the establishment of the Investment Canada Act to the sponsorship of programs and seminars such as Canada Visits New Jersey (held last February in Princeton), Canada is serious about increasing the $90 billion plus United States investment—which represents more than 75 percent of all foreign direct investment in Canada—into its economy.

The Investment Canada Act (IC Act)—which replaced the Foreign Investment Review Act—makes a dramatic break with the past investment policies initiated in Ottawa. According to James S.A. Sotvedt, consul and senior trade commissioner at the Canadian Consulate General Office in Philadelphia, "Investment Canada provides a focus to make Canadians and non-Canadians alike aware of Canada's go-ahead mood, our enterprising spirit, and our tremendous potential."

The new Canadian spirit, in fact, offers a more attractive business environment. As Robert Johnstone, the Consul General of Canada in New York, describes it the "change in policy and attitude of Canada has shifted the very mechanism of the Canadian government." Investment Canada's mandate is to:

Encourage business investment by appropriate means

Assist Canadian businesses to exploit opportunities for investment and technological advancement

Carry out research and analysis pertaining to domestic and international investment

Provide investment information services and other investment services to facilitate economic growth in Canada

Assist in the development of industrial and economic policies that affect investment in Canada

If this new pro-investment policy sounds familiar—it is. In fact, it has been the stated goal of the present and many past New Jersey governors to provide incentives for business investment. Governor Kean, in his 1986 State of the State Message, stated that sometimes "it is necessary to do more than merely remove roadblocks for business. In some cases, especially with job-creating small businesses, it is a wise investment to actually help business grow. This is why we have developed myriad programs to provide direct assistance to new or expanding firms." With the support of their individual governments, New Jersey and Canada have become two of the world's most competitive facilitators of economic growth. But they are also two of the most cooperative business partners.

William M. Landolt, international sales manager of SL Industries in Marlton expresses strong feelings about the importance of the Canadian market which represents about 30 percent of its export business. SL Industries has been considering the opening of an assembly and light manufacturing facility in Canada. Landolt explains that such a facility may be needed to meet Canadian competition in the production of aviation and industrial ignitors—the Canadian-imposed duty on those products is about 14 percent. SL Industries, however, plans to delay any decision on expansion until sometime after the spring trade talks between the United States and Canada. Landolt is hopeful that these talks will "lead to a reduction or abolition of tariffs between the two countries."

Free trade with the United States has been a top priority since the beginning of Prime Minister Brian Mulroney's term. In a September 26, 1985, speech before the Canadian Parliament, the Prime Minister reaffirmed his pledge "to explore all possible ways to reduce and eliminate existing barriers in our bilateral trade." He pointed out that the removal of these barriers is so important to Canada because few countries in the world are so dependent on trade: Almost one-third of what Canada produces is ex-

ported. Many New Jersey firms are echoing the position of SL Industries that free trade would not only benefit Canada, but would provide much larger incentives to export to Canada and produce more of their products in New Jersey.

Eugene Wahl, president of Vibra Screw Inc. in Totowa, said the "removal of trade barriers would help his company's export business a great deal." The firm currently directs about 20 percent of its total exports to Canada. Wahl explained that if a 25 percent tariff is placed on a given product, Vibra Screw Inc. would be more inclined to manufacture that product in Canada to compete with Canadian firms not facing the trade barrier.

According to Abraham Dranetz, president of Dranetz Technologies Inc., Edison, Canada is a "true brother," a good customer and a very close friend. Until last year. Dranetz said his company considered Canada a domestic market. Special complications required to do business in Canada led to the decision to recognize its Canadian business as part of the company's international department. Bill Biega, the company's vice president for international sales, believes the removal of trade barriers would only tend to benefit the state's relationship with Canada. "Not only would companies in New Jersey be better able to compete with Canadian firms, they would be placed on a more even footing with companies exporting to Canada from England," states Biega, adding that the "basically barrier-free" trade relationships England enjoys with Canada provides a more competitive edge for British companies. If New Jersey firms were granted the same preferential rates, Biega feels exports from our state to Canada would increase.

The intermodal connections available between New Jersey and Canada—air, water, rail and truck—as well as our proximity, are primary reasons why trade between the two areas is so high. The Port Authority of New York and New Jersey reported that in 1985: oceanborne general cargo imports from Canada to the Port Authority of New York-New Jersey were $109 million; oceanborne exports to Canada were $1.3 million; airborne air cargo imports from Canada were more than $1 billion; airborne air cargo exports to Canada from the Port Authority of New York-New Jersey were over $896 million.

Legislation is pending in the New Jersey Senate and Assembly which could result in the Port of New York-New Jersey becoming more involved in encouraging exports to Canada. Assembly Speaker Chuck Hardwick and Senator Leanna Brown are the sponsors of a bill which they believe is a key ingredient to expanding the export potential of small and medium-size businesses. According to Speaker Hardwick, the bill—A-1452—would permit the Port Authority to establish an export trading program. He believes the bill will "test the capability and benefits of allowing the Port Authority to supplement the private sector services already available, and to open up new markets in Canada and other foreign locations."

Tourism also plays a key role in the economic partnership New Jersey shares with Canada. Victoria Schmidt, director of travel and tourism for the New Jersey Department of Commerce, expects tourism from Canada to be especially high in 1986. "Despite the fact that the Canadian currency last year declined to a record low against the U.S. dollar, Schmidt says "Canadian visitors to New Jersey increased in 1985 and the numbers are expected to rise again this year." Special efforts including ad campaigns are made by both countries to attract visitors to distinct vacation spots in Canada and New Jersey. New Jersey and Cape May County have shared a highly successful "Welcome center" in Montreal for more than 16 years.

The Atlantic City casino industry, however, has not embarked on any major marketing programs designed to attract visitors from Canada. Lynn Oberst, chairperson of the Greater Atlantic City Travel Industry Sales and Marketing Association, says that "over 99 percent of Atlantic City's 28 million visitors in 1985 arrived via ground transportation." She believes one factor that would result in more Canadian visitors to the Casino Resort would be to resolve the political problems which have hindered the growth and development of the airport facilities serving Atlantic City.

New Jerseyans have always been among the many visitors to vacation spots in Canada, especially the Ontario and Quebec provinces. This year, many Canadians are hoping that large numbers of New Jerseyans will venture to "Expo 86" which will take place in Vancouver, British Columbia, May 2 to October 13, 1986. Over 40 nations, including the United States, the Soviet Union, and the People's Republic of China, are expected to participate.

New Jersey's economy is flourishing and a large part of the strength of the state's recovery can be credited to its trade relationship with Canada. Yet, the potential for expanding our export capacity is enormous. If a concerted effort is made to develop that potential the trade relationship between New Jersey and Canada can be a remarkable, lasting partnership.

A TRIBUTE TO OLAF WIEGHORST

HON. DUNCAN HUNTER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 14, 1986

Mr. HUNTER. Mr. Speaker, I rise today to call attention to a truly great American, my friend and the distinguished artist, Olaf Wieghorst. Olaf Wieghorst is a man who has inherited the mantle of the greatest western artist from his illustrious predecessors, Frederick Remington and Charles Russell. On April 30th, he celebrated his 87th birthday.

Far from retiring, he is painting and sculpting as busily as ever, and is working on, among other things, a series of pictures of the U.S. Cavalry when it was on its last duty in our country. This was in the Big Bend of Texas, where our cavalry was sent in 1919 to protect outlying ranches from marauding bandits from south of the Rio Grande.

Like Remington and Russell, Olaf Wieghorst has participated in the life he portrays, cavalry on the Mexican border and cowboys working on cattle on Southwestern ranches two generations ago. A Danish immigrant who came to the United States at a young age, Olaf, shortly after his arrival, enlisted in the U.S.I Cavalry, and after training at Fort Bliss, served with the 5th Cavalry at Marfa, TX; Presidio, TX, and Douglas AZ. Mustered out in July 1952, he and two other ex-cavalrymen, Bud Jones and Fred Stark, cowboyed on Arizona and New Mexico ranches for several years. While traveling over the great Southwest on horseback, Olaf started drawing what he saw, cowboys, Mexican vaqueros, the cavalry—often on the walls of bunkhouses.

He met his future wife in New York shortly after his arrival in the United States and he had kept in correspondence with her. In 1923, he worked his way to Chicago on a cattle train, then went to New York, where he became a mounted policeman and earned enough money to be married. Due to his skill as a horseman, he was on the New York Police Show Team for several years. During this period, he visited many museums and art galleries, began painting on a regular basis, and in 1930, started selling his work for modest prices.

In 1944, Mr. Wieghorst retired from the New York Police Department. With his wife, Mabel, and son, Roy, he headed for a career in painting in his beloved Southwest. We are fortunate that he decided to make his home in El Cajon, in southern San Diego County. By 1955, his paintings were in great demand, one being acquired that year by President Eisenhower.

Since then, Olaf has had his paintings acquired by two other Presidents, Gerald Ford and Ronald Reagan—as well as by leading museums and galleries across the country. Recently, two of his paintings sold for more than $500,000 each, making him the highest-priced living artist. A recent magazine article, "Framed Investment," lists 50 artists whose work is considered to be the best investment in art. Olaf is the only living artist on the list, which includes such masters as Cezanne, Chagall, Homer, Degas, Matisse, Renoir, Sargent, and Remington.

As Senator BARRY GOLDWATER has written of Olaf: "I knew that here was a man deeply in love with the West and its people and its way of life * * * a man possessed with the talent to create on canvas this love." Along with this love of the West is a love of country, that we, who know Olaf, have the honor to receive. Olaf Wieghorst, like many other immigrants, has perhaps a keener appreciation of the beauty of our land, the freedoms that we take for granted, and the opportunities that we enjoy.

The Wieghorst pictures are characterized by a fidelity to detail and a feeling for the country; these are also the trademarks of Remington and Russell. Olaf Wieghorst was a cavalryman and cowboy in the years immediately following World War I, and the cowboys, their equipment, the ranches, chuck wagons, corrals, bunkhouses, Indians, and glimpses of small towns are of that time and place. The cavalry in which he served was on its last mission, scouting the vast, lonely country of the Big Bend of Texas, before being replaced by mechanization. His paintings of the Southwest 65 years ago are correct to the last detail.

The horse has always been important to Olaf, from the time he learned to ride as a child. As he writes in the preface of a book about him,

> Like some, I never went to an art school or belonged to an art league. To say that I have never had any lessons is not exactly true. I have had thousands of lessons in my life. As long as I can remember, my time has

been spent around horses, and the horse has been my greatest teacher.

But he was not alone. The rolling prairies, the snowcapped mountains, the desert, the cow-camps, the breaking-corrals, the bawling calf, running iron, and the dusty trail of a cattle drive have all been of help to me . . . I have sat on the rim of some canyons for hours at a time, watching rolling thunderclouds, clear summer skies, arid desert, and blue-green mountain country. As I watched nature's wonders, it dawned on me how small and insignificant I was.

. . . If I can succeed in putting a tiny fraction of nature's wonders on canvas and into people's homes, whether they be mud huts or mansions; if my paintings add some enjoyment and pleasure to people, and dignity and warmth to their homes, then I will be content that my effort has not been in vain.

Mr. Speaker, I have the privilege of enjoying copies of Olaf Wieghorst's magnificent oils and watercolors, which are within reach of all of us. Beyond that, I have the privilege of knowing this remarkable American, his lovely wife, his son and son's family. I know of no one who, aside from his truly unique contribution of art depicting an era in the American frontier that is past, is more an embodiment of the spirit of America, and an inspiration to all of us. Knowing Olaf Wieghorst helps me to partially understand the greatness of our country.

PROTECTIONISM AT THE EXPENSE OF CONSUMERS

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 14, 1986

Mr. CRANE. Mr. Speaker, with trade legislation currently before the House of Representatives, we must not forget the growing concern of consumers as they suffer the consequences of measures restricting free trade. In light of the numerous proposals to correct unfair foreign trade barriers, we must be aware of the critical dangers in tampering with our economy. We simply cannot correct a wrong with another wrong. And indeed, that is what we will be doing if any kind of protectionist measure were passed. We would be, in a sense, leaving an open door to all retaliatory actions by our trading partners.

Whether it be trade remedies or retaliatory actions, the fact remains, "protectionism by any other name is still the same," as Doug Bandow recently wrote in the Washington Times. He describes U.S. trade with Japan as a "give-and-take proposition—our money for their cars—that benefits us." In just this past year alone, consumers were forced to bear the burden of $50 billion in excess due to U.S. import barriers while Detroit automakers reap record profits of $8.1 billion. We, as consumers, must foot the bill, so to speak, as protectionist measures place a lid over free trade.

Not only is special protection costly to consumers, but in terms of increasing employment, the benefits are relatively small in comparison. In 1984, import restraints on the shoe industry cost the consumers $55,000 per job saved. This figure represents a high price for the goal usually announced—namely to preserve blue collar employment in the afflicted industry.

Surely, we cannot expect our trading partners to sit idly by as we impose quotas and tariffs on imported goods. Perhaps it is a "give-and-take proposition," yet we are "taking" from our consumers in that the profits of U.S. industries are gained at the expense of the consumer's bill. Automobiles, alone, cost $26.6 billion more than they should to the consumer in the first 2 years of "voluntary restraints." And this is just one example of the many burdens that are placed upon consumers.

Each and every one of us is a consumer and, indeed, we are fully aware of the crucial impact on our limited resources to cope with this surge in prices of manufactured goods. It is unfair to the consumer to compensate for problems encountered by U.S. industries in dealing with competition from abroad. I have included the article by Mr. Bandow that appeared in the February 21, 1986 issue of the Washington Times. I would urge my colleagues to give it serious thought in considering trade reform legislation.

PROTECTIONISM BY ANY OTHER NAME IS STILL THE SAME

(By Doug Bandow)

As the American economy steams ahead, Detroit's automakers continue to reap record profits: $8.1 billion last year and $9.8 billion in 1984. Chrysler made more in 1984 than in its 60 previous years combined.

This would be wonderful news—were Detroit not getting a lot of help at consumer expense. For four years the United States imposed "voluntary" import quotas on Japanese autos; last year the government of Japan began limiting sales in this country.

The administration imposed quotas in 1981 to give the industry some "breathing room." As a result, auto production, employment and profits are all up sharply.

But the cost to American consumers has been staggering. Quotas inflated Japanese auto prices by $2,500 and American models by $1,000 each. Over the last two years alone American consumers have been forced to spend $26.6 billion more than they should have.

Last year the administration dropped the "voluntary" limits, but the Japanese, fearful of stoking protectionist pressures in Congress, kept the lid on their exports. And similar concerns caused Japan's mid-February announcement that it will "extend for one year the same measures"—i.e., quotas.

The administration, officials say, promised the Nakasone government not to criticize its decision. It seems President Reagan believes in free trade, but not enough to fight for it.

Industry and labor officials, of course, were delighted to learn they would face only limited competition for another year. UAW president Owen Bieber says he is "relieved," even though he thinks Japan's market share still "is far too high."

Congressional leaders like John Danforth, R-Mo., had a similar reaction. Danforth pronounced himself "pleased" with a decision that will cost consumers billions: "It appears to signal a recognition on the part of Japan that trade is a give-and-take proposition."

Of course, Japan should open up its markets, but cutting off Japanese imports teaches the Japanese a lesson more at our expense than theirs. In fact, precisely because trade is a "give-and-take proposition"—our money for their cars—that benefits us, we should not cut it off.

Anyway, U.S. complaints about unfair Japanese trade practices are self-righteous hypocrisy at best. Average tariffs in this country are as high as those in Japan; nontariff barriers, such as quotas, affect far more of our goods than theirs.

In fact, according to Georgetown University economist Gary Hufbauer, offical American import barriers cover more than a quarter of all manufactured goods in the United States and add in excess of $50 billion to the consumers' bill every year.

Sugar costs treble or more what it should; clothing runs 24 percent more. Prices for rubber footwear and vinyl handbags are inflated a fifth, leather handbags run an extra 10 percent, and radio and book prices are up significantly as well. Mushrooms, ceramic tiles, motorcycles, clothespins, trucks, and steel also cost far more than they should.

Nevertheless, Sen. Danforth and his protectionist friends want to continue sacrificing American consumers on the alter of political expediency. In fact, one administration official predicts that auto quotas will persist till the trade deficit—and political heat from Congress—disappears.

Yet waging war with trade statistics makes no sense at all. For the trade deficit is merely an accounting measure that shows we've received more goods than we've sent in return.

That's not a bad deal: the Japanese can't drive our dollars around. All they can do is eventually spend them in America, to buy our products and services.

Moreover, our trade balance with any one nation is meaningless in an interdependent world like the one we live in today. We have trade surpluses with Eastern Europe, Australia, New Zealand and South Africa: should we ask them to increase their tariffs?

And for years we sold more to Western Europe than they shipped to America. Was Danforth complaining about trade deficits then?

President Reagan says that he believes in free trade, despite the fact that he has imposed quotas and tariffs on steel, sugar, motorcycles, trucks and cars. Everyone is entitled to make a few mistakes, of course, but he also bears an extra burden to prove that he's a man of his word.

HOW TO FIGHT TERROR FROM THE AIR

HON. DANTE B. FASCELL

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 14, 1986

Mr. FASCELL. Mr. Speaker, I would like to take this opportunity to call to the attention of our colleagues a New York Times editorial calling for an aviation boycott of states which support terrorism. The most obvious case for such sanctions is Libya.

As I have always believed, one must use all available tools to fight state-sponsored terrorism. Whenever there is evidence that international terrorism is being coordinated and sponsored by a state, then one response should be the imposition of a civil aviation boycott. In fact, the Foreign Airport Security Act, which was signed into law last August calls for such

a measure as a means of isolating countries which support international terrorism.

The Committee on Foreign Affairs has been conducting a series of oversight hearings on the implementation of the Foreign Airport Security Act and recently received testimony from the Air Line Pilots Association, which has called on international airline pilots to boycott airports of countries which are found to be engaged in state-sponsored terrorism.

Mr. Speaker, the time is ripe to follow up on the steps taken at the Tokyo economic summit to gain international cooperation for a civil aviation boycott.

The New York Times editorial follows:

HOW TO FIGHT TERROR FROM THE AIR

Britain has expelled three Syrian diplomats after they scorned to answer questions about their suspected role in the recent plot to blow up an El Al airliner . . . Israel says it has also detected Syria's hand in the plot. In a related episode, West German police suspect Syrian involvement in the March 29 bombing of an Arab-German friendship society in West Berlin.

Such suspicions prompt the question of punishment, particularly following the United States raid on Libya last month and the call now from the Tokyo summit for joint action against state-sponsored terrorism.

Syria's offense, if proven, would be comparable to Libya's. Very possibly the same terrorists work for both states, drawing double pay in an amoral trade. Yet no one clamors for an aerial strike against Damascus, a pivot of the Arab world and a pervading presence in Lebanon, where shadowy gangs still hold Americans hostage.

Syria's case is more complicated. The regime of President Hafez al-Assad, Soviet supported, selectively indulges in terrorism but he is no mad dog and Western governments treat him with wary restraint. Besides, there's a better way to express collective condemnation—aviation sanctions.

These sanctions would close airports to planes from an offending country and forbid other carriers to land in the offender's airfields. Such sanctions work, as President Carter recalled in an interview last week. In 1978 the seven big democracies sent a private message to Colonel Qaddafi threatening to boycott Libya's airports if he continued to shelter hijackers. This followed a declaration at Bonn by the seven leaders warning that if hijackers were not extradited or punished, civil aviation sanctions would follow: Thus warned, Libya closed its airfields to hijacked planes.

These sanctions applied only to hijacking. But at the Tokyo summit, the industrial democracies broadened the Bonn formula to apply to "all forms of terrorism affecting civil aviation." Having enlarged their policy, the allied democracies now need to make plain their intention to enforce it.

More than any other, the aviation sanctions are likely to command support, here and in Europe. They accord with civil aviation treaties adopted at The Hague and Montreal. They have been urged by airline pilots. They reinforce the European Convention on terrorism. A total civil aviation boycott is easier to impose than any other penalty. It is a punishment related to the offense. And it can hurt.

Yet some countries are reluctant to use a weapon that might momentarily jeopardize lucrative air routes even when there's a flagrant case on the books. Consider Iran, which has yet to extradite or punish those who hijacked a Kuwaiti airliner and killed two Americans in December, 1984. Yet there are hints of change in Teheran; Americans have been indirectly informed that a trial is finally in preparation.

Are the democracies finally willing to impose collective aviation sanctions instead of just talking about them? That could speed this old case—and deter new ones, in Syria and elsewhere.

A TRIBUTE TO FATHER NICHOLAS A. FEDETZ, OF BAYONNE, ON THE 40TH ANNIVERSARY OF HIS PRIESTHOOD

HON. FRANK J. GUARINI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 14, 1986

Mr. GUARINI. Mr. Speaker, a dedicated man of God, Archpriest Nicholas Andrew Fedetz, is being saluted by his religious community on the 40th anniversary as a priest in the Russian Orthodox Greek Catholic Church.

Father Nicholas Andrew Fedetz, on May 18, 1986, in the Villa Nova Restaurant, Bayonne, NJ, will be honored by hundreds of friends, parishioners, community and religious leaders. He is pastor of Sts. Peter and Paul Russian Orthodox Greek Catholic Church, 94 West 28th Street, Bayonne, NJ.

Born on April 17, 1923, Father Nicholas graduated from Columbia University in 1945 and St. Vladimir's Orthodox Theological Seminary in Crestwood, NY, in 1946. He was ordained July 7, 1946, at the Cathedral in New York City.

Father Nicholas' first pastorate was in Springfield, VT, from August 1, 1946 to September 1, 1948. He was then transferred to Cannonsburg, PA, where he served from September 1, 1948 to May 1, 1961, transferred to Detroit, MI, May 1961 to May 1981, and on May 15, 1981, was assigned to Sts. Peter and Paul Russian Orthodox Greek Catholic Church in Bayonne, NJ.

Father Nicholas was married in June 1946 to Geraldine Shevchuk, and they have two daughters, Kyra and Tais.

Mrs. Fedetz is the daughter of Archpriest Theodot and Mrs. Eva Shevchuk. Archpriest Theodot Shevchuk served in parishes in Maryland and Pennsylvania for over 50 years.

Father Nicholas is the son of the late Archpriest Andrew Fedetz and Mrs. Mary Fedetz. Archpriest Andrew Fedetz served for over 50 years in the Pennsylvania area.

The parishioners of Father Fedetz's church are part of the more than 900,000 descendants of the southern Poland area in the Galicia region.

In our community they have earned the respect of all those who have come in contact with them since they first migrated to the United States at the turn of the century. They are hard working, God-fearing, family-loving people who have earned their way. Indeed there have been very very few, if any, problems created in our community by these good people who not only had dreams about America, but built foundations under these dreams with their bare hands, devotion, industry, and respect for their new land.

Just a few weeks ago I met with religious leaders and families of this great church at a meeting marking the protest regarding the nuclear explosion in the Ukraine area of Europe. It was my pleasure to discuss this terrible problem with priests and families regarding the accident and what steps we here in America can take to alleviate the problem and to avoid any recurrence.

It was my privilege to speak to the congregation of the above churches just a week ago last Saturday.

In the history of these religious followers to Metropolitan Theodosius, there are countless martyrs, both in ancient or more recent times. Those whose names are known and those who are unknown and thousands who have given their lives rather than abandon their faith.

Indeed they are a people and a church with proven fidelity and suffering, remaining faithful to the gospel and in union with the successor of St. Peter. They have preserved special spiritual patrimony with their liturgical language, ecclesiastical music, and forms of piety which have developed over the centuries and continue to nourish their lives.

Their appreciation of these treasures of their tradition is further demonstrated in the manner they have maintained their attachment to the church and to live the faith according to its traditions.

They are pleased with a real unity doctrine binding all as one. They practice mutual charity. They share the joys and sorrows—they are benevolent—they are giving—they are strong in their faith which has proven to be the strength of their people. Their loving intercession in their fellow man has truly been a cause for their joy.

Father Fedetz, through his sterling leadership, has melded the minds and bodies of his parishioners into the greatness of America. They have become a beautiful part of the giant mosaic which is made up of more than 100 nationality groups in the 14th District I represent.

On other occasions I have noted how fortunate I am to be able to take the best of each of the nationalities, especially Father Nicholas' parishioners in my district, and learn so very much from them.

Father Nicholas' leadership indeed echoes the words of Pope John Paul II, who on his visit to America on October 5, 1979, at a Mass for the Polish community said:

I would like to express thanks for all the contributions that the sons and daughters of our first homeland, Poland, have made to the history and to the life of their second homeland across the ocean: all their toil, efforts, struggles and sufferings; all the fruits of their minds, hearts and hands; all the achievements of the individuals, families and communities. But also all the failures, pains and disappointments; all the nostalgia for their homes, when forced by great poverty they went across the ocean; all the price of love they had to part with in order to look here anew for multiplied family, social and all human threads.

This fine community salute takes special significance in this year 1986, which marks the 100th anniversary of the Statue of Liberty, our fair lady in the harbor, which has been in-

spirational of all freedom-loving people throughout the world.

I also wish to acknowledge that next month will mark the 40th anniversary of Father Nicholas' marriage to his beloved Geraldine.

I am certain that all my colleagues here in the House of Representatives will join me in this salute to Father Nicholas, servant of God and man.

ISRAEL INDEPENDENCE DAY

HON. BARBARA A. MIKULSKI

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 14, 1986

Ms. MIKULSKI. Mr. Speaker, it is an honor and a pleasure for me to salute the people of Israel on the occasion of the 38th anniversary of the founding of the State of Israel. We must continue to commemorate this important anniversary every year because it is so very important that Israel continues to exist as a nation.

World War II and the Holocaust left the Jewish people without a home. But in 1948 an old, rusty ship named *Exodus* sailed out of Baltimore harbor on its way to a new homeland for the Jews—Israel. Today Jews throughout the world have a place to call home.

That is the happy side of this story. But we must also remember the pain Jews went through before their independence.

In November 1976 I went to Poland. I had read the lessons of history but I wanted to learn those lessons firsthand. I went to Auschwitz to see the death camp, the barracks, the gas chambers, the liberation films. I never made it all the way through the tour. The bins of children's shoes broke my heart and I could go no further.

During the Passover-Easter season in 1983 I revisited Israel and felt that sense of renewal that Auschwitz was not the final chapter. From Yad Vashem, the Holocaust Memorial, to the new settlements, we celebrated the lives of the survivors—as we do today.

But we are also left with a legacy of warning: Zachor, remember. Remember the genocide. Remember those who were killed. Remember the religious persecution. Our pledge after World War II is the pledge we take today: never again.

The land of Israel was once a desert. Since 1948 it has been transformed into a flowering oasis. This physical transformation has been accompanied by spiritual, intellectual, and cultural achievements by its people that proclaim Israel's rightful place in this world as a great nation.

I wish peace and prosperity for the people of Israel. And I extend my greetings to all people of Jewish descent, in the city of Baltimore as well as Maryland, and throughout the world who are joining in this celebration. To you I say, Yom Haatzmaut!

CONGRESSIONAL CALL TO CONSCIENCE VIGIL FOR SOVIET JEWS

HON. JIM KOLBE

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 14, 1986

Mr. KOLBE. Mr. Speaker, yesterday Members of the House and Senate welcomed Natan Shcharansky to the Capitol rotunda. I personally was deeply moved by Mr. Shcharansky's description of his ordeal as a Soviet refusenik and his commitment to helping the 400,000 Soviet Jews still denied their right to emigrate. He gave a stern warning to Congress: we must never settle for an agreement where our goal of freeing all of the Soviet refuseniks is compromised. We must never lower our expectations or adopt the illusion that the Soviets will follow through on their commitment to respect human rights without our continuous prodding. The United States and the rest of the free world must persistently demand freedom for the Soviet Jews.

Recently, I asked my colleagues to sign a letter to Secretary Gorbachev on behalf of Veniamin Bogomolny, who has been trying to emigrate from the Soviet Union for over 19 years. I would like to thank my colleagues who signed this letter and I would like to take this time to describe the plight of Veniamin and his wife, Tatiana.

In 1966, Veniamin Bogomolny's family applied for exit permits. At the end of 1970, Veniamin's parents and three sisters were allowed to emigrate to Israel, but Veniamin was not allowed to leave the Soviet Union. Instead, he was issued a draft notice and inducted into the army. After his discharge, Veniamin again reapplied unsuccessfully for an exit visa in 1972 and his subsequent efforts to leave the Soviet Union have been fruitless.

Veniamin has been subjected to relentless harassment. In 1976, his apartment was ransacked and his personal property vandalized and destroyed. In 1977, Veniamin's apartment was broken into again and his belongings were confiscated. Among other items, his Hebrew books have been confiscated. Moreover, his life has been threatened repeatedly and, occasionally, his telephone has been disconnected.

Ironically, among the records that are listed in the Guinness Book of World Records, Veniamin Bogomolny is mentioned as the longest waiting refusenik. It is a dubious distinction. Certainly, he never aspired to hold such a record. His desire is to emigrate to Israel and be united with his family.

In recent months, Veniamin's wife, Tatiana, has been diagnosed as having cancer. Finally, she and more recently, Veniamin have been invited to apply for exit visas. There is still no indication when or if their applications will be approved. We can only hope there is some shred of humanity in the Soviet bureaucracy, some respect for world opinion, that will move them to allow the Bogomolny couple to emigrate as soon as possible.

Those of us who can and who are must continue to work to help people like the Bogomolnys and Natan Shcharansky. The Soviet refuseniks will not be forgotten. We will help Natan continue the struggle for those oppressed by the Soviet Union.

TRIBUTE TO ROBERT H. BENSON, SR.

HON. GEORGE (BUDDY) DARDEN

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 14, 1986

Mr. DARDEN. Mr. Speaker, I want to call the attention of my colleagues to the recent passing at age 66 of Robert H. Benson, Sr., a decorated Navy pilot of World War II who was a resident of the Seventh District of Georgia.

Bob Benson received two Navy crosses and two Distinguished Flying Crosses for his heroics as a pilot of Douglas SBD dive bombers in the Pacific. He took part in the sinking of two Japanese aircraft carriers and saw action at Midway, Truk, Guadalcanal, Iwo Jima and Okinawa. Bob also escorted B-29 bombers in their raids against Tokyo late in World War II.

He remained in the Navy until 1963, becoming executive officer of Naval Air Station Atlanta in 1959 and retiring with the rank of commander.

Bob was a native of San Francisco, but he continued to live in Cobb County, GA, after his retirement from the military. I met him while I was district attorney of Cobb County and he was performing jury duty. From that time on, we were good friends, and I always appreciated his support and advice.

One would never know, because of Bob's modesty, about his heroics in World War II.

Bob's wife, Frances Chiles Benson, has said that a key to his survival during the Pacific Air War was a pair of lucky red socks. He kept them with him in his flight bag from his first solo flight in training at Oakland, CA, in 1941 until his retirement—never letting his wife touch them, or launder them.

Mr. Speaker, I ask my colleagues to join me in expressing sympathy to Frankie Benson and to the Benson's two sons, Robert H. Benson II and Michael B. Benson, and to join me in honoring Bob Benson—a modest hero of World War II.

TRIBUTE TO PAUL BEERS

HON. GEORGE W. GEKAS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 14, 1986

Mr. GEKAS. Mr. Speaker, when the President of the United States needs information he calls on his top advisers. When Members of Congress need information they call on the Library of Congress. When anyone needs information about Harrisburg, PA, they call on Paul Beers, "Reporter at Large."

The name Paul Beers is recognized by just about everyone in the Harrisburg area simply because Paul Beers, at one time or another, has written about them in one of his 3,599 Reporter at Large columns, spanning 20 years, published three times a week for the Patriot-News Co.

On May 4, 1986, I had the great pleasure of attending a dinner honoring Paul Beers—writer, reporter, historian, and friend—that was attended by more than 350 well-wishers, representing a cross section of the Harrisburg community, who simply wanted to say "thank you Paul Beers for the causes you promoted through your column."

Paul developed the Reporter at Large column—a catchall of local events and happenings—28 years ago. The majority of his thrice weekly columns were devoted to the history of the area, the political personalities who shaped the capital city, members of the business community, sports; you name it and Paul Beers was able to capture the flavor of what was happening in the area. Paul has a keen ability to see the trends in the old family political bosses and lions who created the change in Harrisburg's history. Over the years, Paul became in effect a resource for other writers and reporters in the area.

Paul has been cited by many as the first person to have promoted cultural events in the Harrisburg area. If one wanted to know what cultural activities were up and coming, all one had to do was read Paul's column. He featured an annual Sadie Hawkins Day bachelor's column, which listed the names of prominent widowers, singles, and divorced men who were available for marriage. Some may have seen this more as a disservice to women than a service. Another well-known column featured the birthdays of prominent central Pennsylvanians. Many people used the birthday column as a reference source in sending birthday cards and greetings.

Paul Beers has retired from the Patriot-News Co., but has not retired in the true sense of the word by any stretch of the imagination. Last January Paul began a newly created position as historian of the Pennsylvania State Legislature. Being able to fully utilize his knowledge on the city of Harrisburg, Paul has been charged with establishing a research center about the legislature and then ultimately running it.

Mr. Speaker, I ask my colleagues to join me in saluting Paul Beers. He has truly enriched the lives of all who have been privileged to know him and work with him.

A TRIBUTE TO WACOUSTA ELEMENTARY SCHOOL

HON. HOWARD WOLPE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 14, 1986

Mr. WOLPE. Mr. Speaker, I want to pay tribute to an elementary school in my district—Wacousta Elementary School—for its having been named as one of the top 20 outstanding elementary schools in Michigan. Wacousta Elementary earned this distinction because of its consistently high scores on achievement tests, its high student and teacher attendance records, its parental involvement in the classroom, and its use of innovative teaching techniques and programming methods.

Since its construction, when teachers, parents, and the community-at-large were involved in designing the building, Wacousta Elementary has dedicated itself to utilizing new and progressive educational techniques. The highly structured academic program housed in a physically unstructured facility, reflects its philosophical commitment to making a school "a place where kids can learn and enjoy at the same time." Wacousta Elementary School is the only elementary school in the Greater Lansing, MI, area with a computerized library. Wacousta's teachers have created a highly productive reward system for exceptional behavior and work. Moms and dads are found volunteering in its classroom, and participate with their children in the work of the school. It is for these reasons that Wacousta Elementary School has been recognized as one of Michigan's best.

Mr. Speaker, the Wacousta School community takes understandable pride in being recognized as one of Michigan's top elementary schools. It has received a very special award that is reflective of the commitment and dedication of Wacousta students, parents, administrative and support staff, and teachers. I feel privileged to represent constituents who understand the value of education for young Americans and have dedicated their lives to such high ideals.

MICHIGAN'S 1986 SMALL BUSINESS PERSON OF THE YEAR, DOROTHY LEE ZIMDAR OF GRAND RAPIDS, MI

HON. PAUL B. HENRY

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 14, 1986

Mr. HENRY. Mr. Speaker, it is an honor and privilege for me to offer congratulations to Michigan's 1986 Small Business Person of the Year, Dorothy Lee Zimdar of Grand Rapids, MI.

Mrs. Zimdar, president of Frames Unlimited/Zimdar Enterprises, has over a period of 12 years achieved remarkable success. Opening her own framing shop in 1971 with six employees, the business has expanded to a 23-outlet chain located in three States with 188 employees and sales exceeding $5 million. Five years ago, Mrs. Zimdar founded Zimdar Enterprises—the wholesaling and manufacturing arm of Frames Unlimited which has become a profitable addition to the business. Future plans include the addition of 10 new stores to the chain.

The success of Frames Unlimited/Zimdar Enterprises has resulted in the creation of many new jobs in three States, Michigan, Indiana, Ohio, and in the not-too-distant future, Illinois. Through the targeted Jobs Tax Credit Program, the company has hired handicapped and disadvantaged individuals, contributing to the Nation's economy.

With the phenomenal growth of this family-operated business, in 1983, Frames Unlimited was named by INC. magazine as one of the fastest growing privately held firms.

When Dorothy Zimdar opened the first Frames Unlimited store, her background in accounting and retailing gave her an edge in operating a business. But most of her technical knowledge in custom framing came primarily from attending seminars, reading technical books and asking questions. Realizing that professional workmanship is the key to success, Mrs. Zimdar developed manuals, specific procedures, and with her innovative ideas, became a pioneer in the business of offering custom framing at moderate prices for the average consumer.

Dorothy Zimdar's determination, perseverance, high standards of customer service and satisfaction, plus the highest quality of workmanship in her products has made Frames Unlimited the success it is today. Mrs. Zimdar's goal is twofold: to become the very best framing business in the country and to begin a family business that will pass on to many other generations.

Not content just to run the business, Mrs. Zimdar is actively involved in numerous business and civic organizations—something she encourages her employees to do as well. Further, both the corporation and Mrs. Zimdar donate untold time and merchandise to charitable causes throughout the community.

Mr. Speaker and colleagues, please join with me today in offering congratulations to an outstanding woman and entrepreneur, Dorothy Lee Zimdar—Michigan's 1986 Small Business Person of the Year.

TAKOMA PARK MATHEMATICS TEAM WINS STATE CONTEST

HON. MICHAEL D. BARNES

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 14, 1986

Mr. BARNES. Mr. Speaker, the mathematics team of the Takoma Park Intermediate School in my district of Montgomery County, MD, has been selected to participate in the National Mathematics Championship Competition to be held in Washington, DC this weekend.

I congratulate the students of Takoma Park Intermediate School for their outstanding academic achievement, and submit the following article from the Montgomery County Suburban Record which describes this important competition:

[From the Montgomery County Suburban Record, April 25, 1986]

TAKOMA PARK MATHEMATICS STUDENTS WIN STATE CONTEST

The Takoma Park Intermediate School Mathematics team captured first place in the Maryland State Mathematics Championship Competition, held at the Naval Academy in Annapolis on April 5. Takoma students Joshua Fischman and Sarah Manchester finished first and fourth, respectively, in the individual competition. Fischman and Manchester have been selected as members of the state team, which will represent Maryland in the National Championship, to be held in Washington, D.C., on Sat. May 17. The state team will be coached by Takoma Mathematics teacher Darlyn Counihan.

The competition is sponsored by Mathcounts, a cooperative project of the National Society of Professional Engineers, the CNA Insurance Companies, the National Council of Teachers of Mathematics, the National Aeronautics and Space Administra-

tion, and United States Department of Education.

Thirteen regional champions took part in the state championship. Friends School of Baltimore finished second, followed by Roland Park, also of Baltimore, Cockeysville, and Tilden Intermediate of Rockville. A special team consisting of four top individual scorers from schools not represented as teams placed sixth.

The members of the victorious Takoma Park team, coached by Mrs. Darlyn Counihan, are Daniella Berry, Joshua Fischman, Sarah Manchester, Matthew Neimark, and David Weinstock (alternate). Neimark is a seventh-grade student; all others are in the eighth grade.

The National Championship will be held at the Sheraton Washington Hotel in Washington, members of the state team will receive an award from Governor Hughes at the Statehouse in early May.

Mathcounts competitions consists of four rounds:

(1) The Written Round includes 40 problems which are given to individual competitors, with sufficient time so that only the most capable students will be able to complete all items.

(2) The Individual Round includes 10 problems, presented in five pairs, to competitors. This contest demands accuracy and a race against time.

(3) The Team Round consists of 10 problems on which the entire team collaborates for solutions.

(4) The Special Topics Oral Round is a special competition in which the top individual scorers are asked to provide verbal solutions to problems presented by a panel of judges.

THE OCCASION OF THE 350TH ANNIVERSARY OF SPRINGFIELD, MA

HON. EDWARD P. BOLAND

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 14, 1986

Mr. BOLAND. Mr. Speaker, I want to advise the Members of the House that today, May 14, 1986, marks the 350th anniversary of the founding of my hometown, Springfield, MA. It was on this day that William Pynchon acquired the deed to the land on which he would establish a settlement that would become the city of Springfield. While today marks the city's official birthday, the celebration of Springfield's trecenoquinquagenary has been taking place all year, and will continue through the remaining months of 1986. It was my great pleasure to take part in one of the highlights of that celebration this morning, the cutting of the city's birthday cake in historic Court Square in downtown Springfield. Thousands of city residents, both young and old, were on hand to salute the city for reaching this milestone.

Mr. Speaker, as you know, Springfield is situated in the Pioneer Valley of western Massachusetts. Bordered by the Connecticut River, Springfield sits comfortably surrounded by the rolling hills, pastures, and forests that lured William Pynchon there in 1636. Springfield has enjoyed a distinguished history. Nicknamed the "City of Homes," for its many beautiful neighborhoods and residences, Springfield has also been the home of great ideas. The automobile was invented there, as was a game called basketball. In addition, many nationally prominent companies, such as Friendly Ice Cream Corp., Milton Bradley, and Massachusetts Mutual Life Insurance Co., were established in Springfield.

As was brought home to me again at this morning's ceremony, there is one overriding reason for Springfield's rich history and bright future, the spirit of its citizens. Although it has not been immune from tribulations caused by the economy, vagaries of nature, or acts of man, the city and its people have persevered and flourished. I have no doubt but that that spirit, and the civic pride that has been evident throughout this year of celebration, will continue long past the conclusion of the festivities. On behalf of the Congress of the United States, I want to extend congratulations to the citizens of Springfield on this important occasion in the history of their city.

A CONGRESSIONAL SALUTE TO EDWARD CHEETHAM

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 14, 1986

Mr. ANDERSON. Mr. Speaker, I rise today to pay tribute to Edward Cheetham, a leader in the education community in my district, who will be honored at a retirement dinner on June 11, 1986 in San Pedro, CA.

A native of Wisconsin, Edward Cheetham graduated from Ripon College in 1943. Following graduation, he served in the U.S. Army for 3 years. Upon his discharge from the Army, Mr. Cheetham attended the University of California-Los Angeles, where he received his teaching credentials. In 1953, he received his master's degree from California State University at Los Angeles.

In 1948, with the opening of Westchester Junior High School, Mr. Cheetham accepted a position as a teacher of biology and leadership. He taught at Westchester Junior High School till 1963, when he accepted a position as the registrar at Sun Valley Junior High School. Mr. Cheetham was rapidly promoted, and served as the boy's vice principal for Banning High School from 1963 to 1968. In 1968, he was then promoted to boys' vice principal of Fairfax High School. Mr. Cheetham was in charge of administering the West Side Program of gradual integration. In 1976, he was promoted to principal of Fairfax High School. In 1983, he accepted a position as principal of Narbonne High School. He is retiring from this position at the end of the school year.

In addition to his fine work in the academic community, Mr. Cheetham is active in a number of civic and social organizations. He received the Order of Merit from Centinela District of the Los Angeles Scout Council for 15 years of service as a Scout leader. He is also the secretary of the Southern California Chapter of Railway and Locomotive Historical Society, and a member of the national board of directors of the Railway and Locomotive Historical Society. Clearly, Edward Cheetham has been a positive force in the academic and community activities of the people in the Los Angeles area.

It is with great pride that my wife, Lee, joins me in wishing Edward Cheetham and his wife, Mary Jane, all the best in the years ahead.

FOREBEARANCE—NOT FORECLOSURE

HON. BOB McEWEN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 14, 1986

Mr. McEWEN. Mr. Speaker, the passage of House Concurrent Resolution 310 by the House today is, finally, a sign to the beleaguered farmer that this Congress will hear his plea. "It is the sense of the Congress that the Farm Credit Administration and its lending institutions should take * * * actions immediately to help alleviate the unusual financial situation facing many thousands of agricultural producers * * * by providing additional time to resolve these problems * * *."

As the sponsor of H.R. 4369, the Landowner Protection Act of 1986, it is certainly a pleasure for me to see that the Congress has adopted this resolution so similar to my bill, encouraging the Farm Credit System to do the right thing for its borrowers and for this difficult time in agriculture by practicing forebearance rather than foreclosure. H.R. 4369 and House Concurrent Resolution 310 both seek the support of the Farm Credit System in policy changes that meet the changing needs for agricultural loans in these times. While many banking institutions and agricultural lenders have adopted the regulatory changes necessary to work with their farmer borrowers, the FCS seems to be lagging behind. As a lifetime borrower/stockholder in the System has told me

(Our family) only asks for a chance to get through this difficult time by following the objectives that the Land Bank has hanging on their office wall. "Objective: It is the objective of the Federal Land Bank and its stockholders Federal Land Bank Associations to extend to farmers on a cooperative basis constructive long-term farm real estate mortgage credit service at the lowest cost possible consistent with sound business practices under prevailing economic conditions."

This farmer, by the way, has never missed a payment since their first loan in 1966—until now. This farmer, and his family, have been good, productive farmers—until now. Now, the Farm Credit System wants someone else to own their land and their operation. Forebearance? I don't think so.

The Congress has expressed its concerns and now the Farm Credit System should respond to its borrowers by comparing the costs of foreclosure to the costs of restructuring. We don't need more land for sale on the market, we need outstanding debts to be paid through a two-tier system or whatever it takes.

I would welcome the support of my colleagues for H.R. 4369 to further encourage the Farm Credit System to hear our plea.

TEENSCENE: MAKING A DIFFERENCE

HON. ROBERT K. DORNAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 14, 1986

Mr. DORNAN of California. Mr. Speaker, I would like to take this time to bring to your attention a new publication born in Orange County, CA. It is called "Teenscene-Orange County" and is published by Thomas R. Huff and Patricia Paraman. The objective of Teenscene-Orange County is to provide Orange County teens with a free, fresh, clean, healthy, wholesome magazine in which they may find timely information on all teen-oriented programs available to them in Orange County, from Federal, State, county and city agencies, and from other credible teen-oriented, nonprofit organizations. To support this, Teenscene-Orange County is selling reasonably priced advertising space to selected local and national businesses. It will not accept advertising from tobacco, alcohol, or "X" rated entertainment.

Teenscene-Orange County covers such topics as teen job market, entrepreneurial opportunities, role models, educational, financial, and career planning for teens, teen news and classified ads, sports, diet, exercise, grooming, etiquette, information on Orange County teen clubs, movies, books, travel, acting, modeling and restaurants. The really great thing about this publication is that it provides a forum by teens to link them to, and involve them with, the community. Serious articles on drugs, alcohol and child abuse, teen suicide, street gangs, teen pregnancy and abortion will come from various sources: Federal to city agencies, other experts, and teens. In addition to all of this, Teenscene-Orange County is offering every city in Orange County a complimentary page each month to announce teen activities offered by their respective community services/recreation departments. Every police department in the county will also have a complimentary page each month. Teenscene-Orange County is developing a scholarship fund as well.

Teenscene-Orange County will be distributed through participating high schools, teen employment offices, police departments, city community services/recreation departments and other teen-oriented organizations. It will also be available at the business locations of those, who by advertising in Teenscene-Orange County magazine, sponsor this free publication for Orange County teens.

In short, I heartily commend the publishers of this magazine for their creative efforts to involve the youth of Orange County with the community in such active and positive directions.

MEDICAL PRACTICE VARIATION

HON. RICHARD A. GEPHARDT

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 14, 1986

Mr. GEPHARDT. Mr. Speaker, I would like to say a few words about H.R. 4797, legislation introduced last Thursday by Congressman WALGREN, Congressman WAXMAN and myself in an effort to improve the effectiveness and efficiency of health care in the United States.

Briefly, medical practice variation describes the situation in which similar medical problems are treated differently. This variation occurs among doctors, between different geographical locations, and for other reasons. Some of the reasons are understood; others are not.

A tremendous number of Federal dollars are spent to provide health care to millions of America's aged and disabled. In contrast, very little money is appropriated to evaluate whether the care these people receive is either effective or appropriate. We are aware of these variations in the practice of medicine; however, it is not obvious how these variations affect the quality and cost of care patients receive.

Because medicine is not a perfect science, certain variations in medical practice are expected and even useful as we search for the most effective methods of treatment. A percentage of practice variation cannot be explained away, however, and may in fact be a result of the current reimbursement system or due to the lack of a network through which medical information on the most effective means of treatment is disseminated throughout the medical community.

The intent of this bill is to uncover the reasons for differences in methods of treatment. Assessing the effectiveness of one medical treatment versus another will be a second research objective and, finally, disseminating the results of the research to health care providers is the third objective.

Two issues which dominate discussions of health care today are quality and cost. Information gathered as a result of this bill will enable us to address these issues more competently and with greater confidence. If existing medical practice variations are artifacts of how we reimburse health care providers for their services and not responses to differences in patients' conditions, there may be an opportunity to deliver appropriate services at less cost. Equally important, by evaluating medical practice variations, we may discover that one procedure is more effective than another and, by disseminating this information to health-care providers, we may improve the quality of health care provided to American citizens.

KURT WALDHEIM PAST—UNITED STATES SEEKS THE TRUTH

HON. JOSEPH J. DioGUARDI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 14, 1986

Mr. DIOGUARDI. Mr. Speaker, I rise to discuss an issue which I believe has not been given adequate attention by this Congress, the Nazi past of former U.N. Secretary General Kurt Waldheim.

While two items surrounding this issue are of significant concern and importance, the heart of this matter is not Mr. Waldheim's bid to become President of Austria or his past leadership of the United Nations; the real issue is whether or not the world community, and especially the United States, is willing to make the commitment to learn the truth about Mr. Waldheim's history and, upon learning the truth, to take those steps to ensure that justice is served.

How soon we forget. Unfortunately, many people who pay lipservice to the needs of remembering the lessons of the Holocaust and Nazi war crimes now appear willing to sweep historical facts under the rug and allow the matter to die.

I commend the efforts of the Jewish community in taking the lead in order to learn the truth. However, this issue should concern not only the Jewish people; it should ignite the passions of all men and women who have been victimized by Nazi-like manifestations of racism and bigotry. If we choose to ignore the past of Kurt Waldheim, how soon will it be before we choose to ignore the plight of Soviet Jews in the present? Will we lay down the welcome mat for the likes of Pol Pot, responsible for the death of 2 million Cambodians?

It is very interesting to note recent findings disclosing that Kurt Waldheim may have played a major role in transporting Italian prisoners-of-war to labor camps near the end of World War II. Where is the Italian community in expressing its outrage?

I believe that the United States must take an active role in determining what really should be included in Kurt Waldheim's past, not just what he put on his resume. Congressman TED WEISS has introduced House Resolution 409, expressing the sense of the Congress that Attorney General Ed Meese should examine the evidence surrounding Waldheim's activities during the Second World War. The evidence will determine whether or not Waldheim should be denied admission into the United States. I have cosponsored this resolution and urge my fellow Congressmen to join the effort and assist in its passage.

As the leader of the free world, and as a nation of high moral standing, it is not only our responsibility to learn the truth about Kurt Waldheim, it is our duty.

NORWALK-LA MIRADA UNIFIED SCHOOL DISTRICT HONORS EMPLOYEE DEDICATION

HON. ESTEBAN EDWARD TORRES

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 14, 1986

Mr. TORRES. Mr. Speaker, I ask my colleagues in the House to join me in recognizing the employees of the Norwalk-La Mirada Unified School District.

On May 20 the school district will honor their devotion at a special reception. Many of the employees being honored have given 30, 35, and 40 years of service to the students and people of the Norwalk-La Mirada School District.

These individuals set an important example for all of us. The welfare and future of our young are well cared for and safety secured by the dedication of these outstanding employees. It takes special people to take care

of and educate our Nation's students. I am proud that these fine people have chosen to work in my community for so many years.

Mr. Speaker, the Norwalk-La Mirada Unified School District is one of the finest school districts in the State of California. Its outstanding record is reflected by the loyalty of the people being honored today. I want to send my best wishes and call attention to the following individuals for adding something special to education.

Bruce B. Butler, assistant superintendent, business services; Thomas Cartwright, garage foreman, transportation department; Juanita B. Cirelli, teacher, Foster Road Elementary School; John F. Crippen, teacher, John Glenn HIgh School; Anna B. Kerr, teacher, Norwalk High School; Wallace G. Moore, teacher, La Pluma Elementary School; Gladys M. Sayers, teacher, Lampton Elementary School; Mattie C. Bagley, substitute teaching; Dorcas M. Baldwin, teacher, Morrison Elementary School; Joan R. Borkenhagen, teacher, Waite Elementary School; John E. Ciulik, Jr., teacher, La Pluma Elementary; Lyle L. Ferry, teacher, Norwalk High School; Lucy I. Iha, counselor, La Mirada High School; Geneva G. Kuafmes, teacher, Moffitt Elementary School; Jesses L. Kinder, teacher, Dolland Elementary School; Richard L. Laing, teacher, Norwalk High School; William D. Lantrip, teacher, Norwalk High School; William J. McMasters, Jr., teacher, La Mirada High School; Orval Rodgers, teacher, Norwalk Adult Center; Elizabeth M. Romero, teacher, Moffitt Elementary School; Keith E. Shattuck, director, categorical aid; Barbara L. Summers, secretary, educational support services; Jesse D. Taylor, director, transportation department.

JOSEPH V. GALATI HONORED

HON. GEORGE W. GEKAS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 14, 1986

Mr. GEKAS. Mr. Speaker, I would like to bring to the attention of my colleagues in the U.S. Congress the distinguished honor being bestowed upon Mr. Joseph V. Galati of Harrisburg, PA, on Sunday, May 18, at a banquet hosted by District 9 of the Sons of Italy in America. He is being honored for demonstrating leadership in the Sons of Italy lodges throughout the State of Pennsylvania.

District 9 of the Sons of Italy in America consists of 15 lodges in central Pennsylvania. Beginning this year, the members decided to honor a statewide Sons of Italy member once every 4 years. The district unanimously selected Joe Galati to be the first recipient of this distinguished honor.

He has served the Sons of Italy lodges in several leadership capacities beginning in 1957 as the Lodge Orator at the local level. Throughout the years he has assumed many leadership positions at the State level and in 1983 he was appointed to the national arbitration commission.

Mr. Galati received his high school education from the Harrisburg area school system. He received his bachelor's degree in State and local government in 1954 from Penn State University. Continuing his education, he earned his master's degree in government administration from the University of Pennsylvania in 1968. He is currently employed at PennDOT, Bureau of Traffic Engineering, where he has headed the research and studies section in the bureau of traffic engineering.

Mr. Galati is well respected by his peers in his professional work and in his community. Mr. Speaker, there is no finer honor than to be recognized by one's peers. I would like to extend my congratulations to Joe Galati on receiving this most distinguished honor.

NORTHROP CORP.'S HIP PROGRAM CELEBRATES 15TH ANNIVERSARY

HON. MERVYN M. DYMALLY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 14, 1986

Mr. DYMALLY. Mr. Speaker, I want to take this opportunity to bring to the attention of the House a most successful partnership program between the public and private sectors for the benefit of our youth.

The program is called HIP, which stands for the High School Involvement Program. HIP is celebrating its 15th year of service to high school youth of the greater Los Angeles area. Over 2,500 young people have graduated from the program since 1971. HIP was developed and is sponsored by the Northrop Corp. and is conducted at Northrop's Aircraft Division main facility in Hawthorne, CA; which I am proud to represent.

The basic idea of HIP is that high school seniors are given the opportunity to gain real world work experience as part of their high school education, for which they earn credits. Northrop funds and administers the program and provides the instructors, their own employees who volunteer to work with these students, mostly one-on-one. The company benefits by gaining future employees who are already trained and acclimated to the working world. Since 1971, nearly 600 students have been hired immediately after graduation from HIP into summer jobs at Northrop, and about 10 percent of all HIP graduates have taken permanent jobs at the company.

In 1985, 248 students participated in the HIP program. Of these, 50 percent were black, 24 percent were Caucasian, 21 percent were Hispanic, and 5 percent were Asian. HIP also takes students from continuation schools who have been dismissed or have dropped out of regular high schools; last year, six continuation students graduated from HIP.

How does the program work? From February to May every day after lunch, about 250 HIP students are bused from their high schools to the big Northrop plant in Hawthorne where the F-5, the F-18 Navy fighter, and 747 structures for Boeing are built. At 1:30 work begins for 2 hours. During those 2 hours, students work—just like a company employee—at a job of their choosing from among 40 jobs classifications available to them. These jobs range widely and include office clerk, accounting clerk, fireman, graphic arts, engineering assistants, automotive mechanics, drafters, construction workers, mechanical drawing, computer operator, et cetera. The specific job assignment for each student is carefully chosen in an attempt to match the interests of the students to the career positions available. At 3:30 the students board their buses and return home.

At some point during the 16-week period, each student attends a 2-day job development workshop. The workshop stresses setting career goals, completing job applications, writing résumés, and completing a successful job interview. Mock job interviews are video taped so that individuals can evaluate their own performance first hand.

At the completion of the program, there is a graduation ceremony. Many parents say this is one of their proudest moments for their children.

The real benefit of HIP is to the students. They develop their own talents and skills in areas of their own interest. They choose an occupation they would like to pursue. They receive industrial work experience they can show on a job application. And they gain a more realistic view of the demands and responsibilities of the world of work.

Northrop conceived the idea of HIP in 1970 and began the first program in 1971, largely as an affirmative action program. The program is purely voluntary on Northrop's part. Students, school administrators, teachers, and parents are unanimous in their praise of the program—it does work. High school students learn the benefits of seeing a job done well, of acquiring a skill that is employable in the workplace, and the earning of self-esteem that is so often lacking in youth.

In 1980 the California Legislature passed a joint resolution honoring HIP. The resolution commends the program for "its exemplary display of concern for the youth of the area by providing them with an opportunity to learn entry-level business and industrial skills." HIP has just been nominated by the National Alliance of Business for a Presidential Award for Summer Jobs for Youth.

The success of the HIP program can be replicated elsewhere. Wherever there is a company which has a commitment to its community and a desire to perform a service that is truly meaningful to that community and to itself, I suggest that company emulate the fine spirit of volunteerism found at Northrop.

A TRIBUTE TO SOL BLATT

HON. BUTLER DERRICK

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 14, 1986

Mr. DERRICK. Mr. Speaker, I am deeply saddened to note the passing of one of South Carolina's greatest leaders. Speaker Emeritus Solomon Blatt, the country's longest serving State legislator, died this morning at the age of 91. He was my friend and mentor.

Born February 27, 1895, Blatt was the son of a poor Jewish immigrant who arrived in Charleston, SC. His father walked to Barnwell County, where he later became a merchant. Sol started working in his father's store, but later became interested in something which

would guide the rest of his life—the law. His interest in the law profession came after writing trial testimonies for a local magistrate. Blatt moved from the magistrate's courtroom to the University of South Carolina, where he graduated from law school in 1917. He became one of the State's most respected attorneys. "I plead guilty to being a pretty darn good country lawyer," said Blatt to a reporter in 1981. He maintained his ties with USC years after his graduation, serving on its board of trustees for 12 years.

His love for the law was shared with a love of politics. First elected to the South Carolina House of Representatives in 1933, he served as Speaker from 1937 to 1941 and again from 1951 to 1973, which earned him the nickname "Mr. Speaker." In 1973, he was named Speaker Emeritus and continued to serve the State. In fact, Sol roamed the statehouse in Columbia for more than a half century, overseeing all house activities.

I am thankful our paths crossed during my tenure as a State lawmaker. Sol honored me with an unprecedented appointment as a freshman to the Budget Conference Committee. Many years later, my interest in the budget process continues—thanks to Sol Blatt.

He shared with me both political and personal philosophy. Much of it was one and the same. He was a man of great dedication, great integrity, and great compassion. Last year, he said:

> If I was going to pick out one thing that I am happy about, it is the fact that I tried my best to live the life of an honest legislator, trying to do something for the welfare of his people.

Even more recently, Sol said:

> If I could say that I am satisfied with what I have done for my people, I'd die a happy man.

There can be no question that Sol Blatt died a happy man.

I mourn his passing, but will be eternally grateful for his tutelage. I am a better public servant because of it.

FLORIO RECOGNIZES WOMEN AGAINST RAPE FOR PUBLIC SERVICE

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 14, 1986

Mr. FLORIO. Mr. Speaker, I would like to bring to the attention of my colleagues an outstanding group in my congressional district, Women Against Rape [WAR]. WAR is a nonprofit organization which, since 1973, has been assisting rape victims and their families through the provision of volunteer escort and counseling services. In addition, it performs a valuable public service as it has developed crime prevention programs with particular emphasis on rape prevention techniques; and disseminates information regarding these programs, along with guidelines for rape victims, to school and church groups, community organizations, and clubs.

Clearly, Mr. Speaker, any violent crime is tragic, but rape is one of the most difficult for the victim to overcome. Women Against Rape understands the special needs of rape victims. By encouraging and supporting private citizens and community organizations in their effort to reduce the violent crime rate and to educate the public, the work of WAR has become invaluable.

During the month of May, WAR is sponsoring "Rape Prevention Month," and has scheduled a month-long series of special programs and events designed to raise public awareness about rape, rape prevention, and the needs of rape victims.

Mr. Speaker, I am certain that my colleagues would want to join me in recognizing Women Against Rape on its many years of valuable service to rape victims and the south Jersey community, and in commending its members and staff on a job well done.

SALUTE TO BUN BRAY

HON. FRANK R. WOLF

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 14, 1986

Mr. WOLF. Mr. Speaker, I rise today to commend a man who is well known to many of our colleagues as an outspoken and effective spokesman for fair pay and benefits in the Federal work force through his work with the Federal Managers Association. I am speaking about Bun Bray, who recently retired as the executive director of the FMA.

Bun Bray's leadership was seen in so many areas pertaining to the civil service, and included the reform of the merit pay system created under the Civil Service Reform Act and calling attention to the current contracting-out process which is overtaking many agencies in the Federal Government.

He began his successful career with FMA after 30 years in the civil service including 4 years at the Department of Defense in the Office of Manpower Utilization and 3 years as special assistant to the Secretary of the Navy. He established the national FMA office in July 1972 and served as the association's executive director until his retirement this past December.

Many of us who are concerned about an effective and efficient civil service system often consulted with him for advice on how to better manage the Federal Government and increase efficiency and productivity. We also sought his able tutellage as we developed legislative initiatives affecting civil servants. He has always been an effective source with good insight on the Federal work force. We will miss his voice of reason and expertise as we continue to fight to protect the integrity of the civil service.

I commend Bun Bray for his significant contributions over the years, for his achievements with the Federal Managers Association and I thank him for being a loyal friend many years before I was elected to the U.S Congress. Bun, I wish you the best.

TRIBUTE TO LETHA ZUSPAN

HON. TONY COELHO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 14, 1986

Mr. COELHO. Mr. Speaker, on May 30, 1986, my hometown of Dos Palos, CA, will take the opportunity to honor one of its most valued citizens, Mrs. Letha Zuspan, for 30 years of distinguished service to her community. Mrs. Zuspan has long served the people of Dos Palos and deserves our praise and admiration.

Mrs. Letha Zuspan began her work for the city in 1957 when she was hired as a clerk. Since that time she has worked under five city administrators and two city managers. From clerk she was promoted to bookkeeper in April of 1969.

In 1964 she began work as secretary-treasurer for the Dos Palos District Chamber of Commerce and was instrumental in establishing the first county fair. She held this position until January of 1970.

With the assistance of the police department, Mrs. Zuspan organized a bicycle safety club from 1961 to 1964. She also organized the president's club and was secretary during its existence from June 1981 until December of 1983. From 1981 to 1983 she was the senior citizens information and referral director.

She is past president of the American Legion Auxiliary and remains active after 35 years of service. In 1967 she was honored for being an outstanding American by the auxiliary.

She has also worked as a member of the Dos Palos Seniors Club as well as the Los Banos Golden Agers. As a mother of two, she was a den mother, 4-H leader, girls softball coach, Sunday school teacher at the First Christian Church and member of the PTA. She is now involved with her grandchildren in scouting, 4-H, and swim club.

I am glad to join in with the people of Dos Palos in paying this richly deserved tribute to Letha Zuspan. Mrs. Zuspan is truly a selfless public servant and should serve as an example to all generations. Thanks to her efforts, life in Dos Palos is better for all of us.

TRIBUTE TO PAUL H. SMUCKER

HON. RALPH REGULA

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 14, 1986

Mr. REGULA. Mr. Speaker, I rise today to pay tribute to Mr. Paul H. Smucker. Mr. Smucker, the chairman and chief executive officer of the J.M. Smucker Co., recently received, along with Illinois Senator PAUL SIMON, the 14th Annual Charles E. Wilson Awards given by Religion in American Life, Inc. [RIAL].

RIAL is a national, nonprofit interreligious organization in which 52 national religious groups participate—Catholic, Jewish, Eastern Orthodox, Protestant and other Christian. The

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group was founded in 1949 to promote moral and religious ethics in all aspects of American life.

The Charles E. Wilson Memorial Award is given annually to the business leader "whose actions demonstrate, on a national scale, devotion to religion, distinction in career and dedication to humanity," according to RIAL.

Paul Smucker, who lives and works in my congressional district, is an outstanding businessman who uses his religious ethics every day in his business and community activities. He started out when he was 13 in the company founded by his grandfather and worked his way through the organization until he began taking over the reins from his father in 1961. At that time, annual sales were $14.6 million. This year sales are expected to be over $270 million. Yet the ethic of old-fashioned quality his grandfather began has not changed, making Smucker's leader in the jelly and preserves business in America.

Paul Smucker is a director of the Grocery Manufacturers of America and the Kellogg Co. He was awarded an honorary doctor of laws degree from his alma mater Miami University of Ohio in 1979 and the Food Marketing Institute's William H. Albers Trade Relations Award in 1984.

Certainly, Paul Smucker of Orrville, OH—recipient of the Religion in American Life Award for 1986—was the type of man John W. Gardner had in mind when he said: "Some people strengthen the society just by being the kind of people they are."

THE SPECIAL OLYMPICS

HON. JOSEPH J. DioGUARDI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 14, 1986

Mr. DioGUARDI. Mr. Speaker, I rise today to pay tribute to some of our Nation's most honorable and dedicated athletes, the participants in the Special Olympics.

This Saturday, hundreds of physically and mentally disabled individuals will gather in Briarcliff, NY, to compete in the 14th Annual Westchester-Putnam Special Olympics.

Participation in Saturday's games will represent a momentous occasion for all of the competitors, culminating a year of determined training in preparation for events ranging from track and field to swimming. In addition, these games will serve as qualifiers for the New York State Special Olympics and the international games which will be held next summer at Notre Dame University.

In fact, the winner of an international gold medal in swimming, Rick Damman of Chappaqua, will begin his quest for another gold medal in Briarcliff. Rick may have an unfair advantage, however, he has been seen training with Rick Carey, medal winner at the 1984 Los Angeles Olympic games.

While we are all very proud of Rick's accomplishments, the best part of this Saturday is that you don't have to finish first to be a winner at these games; all of the athletes who compete in Briarcliff will have proven to the world that they deserve the distinction as champions.

I congratulate everyone who is responsible for making these games possible, including Jerry Peters, the executive director of the Westchester-Putnam Special Olympics. His spirited commitment and that of others is responsible for enriching so many lives. Finally, I wish the best of luck to Saturday's entrants. God bless you.

HONORING ANN ENGLEMAN: LITTLE LAKE CITY SCHOOL DISTRICT'S TEACHER OF THE YEAR

HON. ESTEBAN EDWARD TORRES

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 14, 1986

Mr. TORRES. Mr. Speaker, I ask my colleagues in the House to join me in honoring Little Lake City School District's Teacher of the Year, Ann Engleman. Today, May 14, has been declared "Day of the Teacher" by the board of education for the Little Lake School District.

Ms. Engleman will be honored today during a reception for teachers at the Santa Fe Springs Town Center Hall. Ms. Engleman has been selected because of her commitment to education and her outstanding work with students, parents, and the community. She teaches second grade at Cresson School. She has been at Cresson School for the past 5 years and been teaching for over 18 years.

Ms. Engleman received her degree from the State University of New York and teaching credentials from the California State University. Her philosophy of teaching is based on the belief that education should be an opportunity to provide positive experiences for all children.

Mr. Speaker, I commend the devotion and service Ms. Ann Engleman has given to the students of the Little Lake City School District. It is my honor and pleasure to recognize her extra efforts in achieving excellence in the classroom.

CHARLES EMMETT BROADFIELD RECOGNIZED

HON. GEORGE W. GEKAS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 14, 1986

Mr. GEKAS. Mr. Speaker, I would like to bring to the attention of my colleagues in the U.S. Congress a man who has devoted his entire life to the service of our country—Lt. Col. (Retired) Charles Emmett Broadfield, Jr., of Susquehanna Township, PA. He is being honored at a testimonial dinner hosted by the Disabled American Veterans, chapter 50 on Saturday, May 17, 1986, as the outgoing commander of the Department of Pennsylvania, Disabled American Veterans.

He began his military career in 1956 as a second lieutenant in the Medical Service Corps through the college's ROTC program. He then served in positions of staff and command from detachment size units to group headquarters. He was last assigned as an Army advisor to the Pennsylvania National Guard units and the U.S. Army Reserve components in Pennsylvania. After 20 years of service with the military he retired and assumed a position with the State Council of Civil Defense, Commonwealth of Pennsylvania as a civil defense specialist.

Lieutenant Colonel Broadfield has also been very active within his community. He was elected to the school board of the Susquehanna Township School District. He is a member of the Susquehanna Employment Private Industry Council and Training Corp., and was appointed to the Susquehanna Township Planning Board. He also served on the board of trustees of the Dauphin County Library System in Harrisburg.

Mr. Speaker, I would like to commend Lt. Col. Charles Emmett Broadfield, Jr., for his commitment to excellence while serving as State commander of the Disabled American Veterans. He has truly enriched the lives of all who have been privileged to know him and work with him.

TRIBUTE TO LEONARD LONDON

HON. ROBERT G. TORRICELLI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 14, 1986

Mr. TORRICELLI. Mr. Speaker, I rise today to honor Mr. Leonard London. On May 18, 1986, Mr. London will be honored with a testimonial dinner by the New Milford Jewish Center.

Mr. London has contributed countless hours in service to his community. Honoring him with this dinner is a most fitting way to recognizing the achievements of this warm, caring, and highly motivated and intelligent individual.

As a public servant, Lenny London has served in a variety of positions. He has had the honor of serving on the borough zoning board and the borough council, as well as on the auxiliary police force. In addition, Lenny has found the time to run the borough blood program for 5 years and to be elected post commander of the Jewish War Veterans.

Lenny has also contributed his many abilities to the Jewish Community of New Milford. He has been a member of the board of directors for several terms and has served as chairman of the centers' board of education and youth groups. Lenny has also had the honor of serving as president of the center.

The many achievements of Lenny London would fill several volumes. It is with great honor that I join with so many of Lenny's friends in honoring him with this testimonial dinner.

HOUSE CONCURRENT RESOLUTION 310

HON. HAL DAUB

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 14, 1986

Mr. DAUB. Mr. Speaker, I rise in strong support of this resolution by the distinguished gentleman from Georgia.

Because of the primary in Nebraska yesterday, I was unable to be present for this vote. However, I am a cosponsor of House Concurrent Resolution 310 which urges the Farm Credit System to make forebearance, not foreclosure, its watchword.

Many farmers find themselves caught in an economic pincher whose origins lie in drought, embargo, plunging crop prices, high operating costs, declining land values and high interest rates.

When the farmer loses, there is a rippled effect throughout rural America. From the local merchants on main street to the more distant crop suppliers, the farm community suffers.

This resolution is designed as an inducement for the Farm Credit System to use forebearance under all possible circumstances and encourage restructure of debt for farm borrowers where feasible.

The legislation is a signal that the Congress wants to keep the farmer on the land, not in the lawyer's office. I join the overwhelming number of my colleagues in the House in support of this resolution.

HANDS REACH ACROSS AMERICA

HON. FORTNEY H. (PETE) STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 14, 1986

Mr. STARK. Mr. Speaker, a human chain of 5.5 million people, literally Hands Across America, will connect our east coast to our west coast on Sunday, May 25, 1986. This chain will symbolize the united effort of many different Americans to take action on behalf of our country's hungry and homeless people.

Hands Across America's purpose is to raise money for our neediest people. It will remind us that the American dream is a remote reality for 35.5 million Americans who live below the poverty level. It will offer us a tangible way of expressing solidarity with others who desire to help our less fortunate neighbors.

Holding hands is a tender gesture of love and friendship. The people united by this gesture will comprise the broadest spectrum of America. People of different cultures, races, religions, and political persuasions will be connected. Each individual will be important.

The high visibility and popularity of the cochairs was vital to lend credibility in undertaking such a monumental event. The expertise and associations of the planners was crucial to ensuring necessary publicity and well orchestrated organization. The early financial support and sponsorship of corporations provided the needed initial capital. But the event depends on the involvement of ordinary Americans to succeed.

Mr. Speaker, the American people are known for their compassion and generosity. I am confident they will respond to the call to participate in Hands Across America. I urge my colleagues to promote this event in any and every way they can.

RICHARD D. ECKBURG RETIRES

HON. JOHN G. ROWLAND

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 14, 1986

Mr. ROWLAND of Connecticut. Mr. Speaker, it has come to my attention today that one of the leading executives in the U.S. transportation industry and a resident of Connecticut, retired on May 2. Richard D. Eckburg retired from United Parcel Service after 32 years. He began his service with UPS as a driver in his home town of Amboy, IL, after serving in the Army during the Korean conflict. He rose through the ranks of United Parcel Service to become the vice president in charge of public affairs. Prior to receiving that assignment, he was the district manager for the State of Florida and for UPS's major operation in the Chicago area. Richard also served with distinction on the executive committee of the American Trucking Association.

In addition to performing his duties as the vice president of public affairs, Richard led the United Way efforts of UPS to record heights. On an individual basis, he and his wife Judy were benefactors of Little Friends, Inc., a local organization in Naperville, Il, that recently named their Community Residential Alternative Program building "The Eckburg Residential Center" in their honor.

Dick will be missed in Washington, but will be equally successful in his new business endeavors in the Savannah area.

IN APPRECIATION OF RUTH AND JOSEPH LOW

HON. RON de LUGO

OF THE VIRGIN ISLANDS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 14, 1986

Mr. DE LUGO. Mr. Speaker, my district's year round beautiful weather makes it an appealing winter home for many. Two such winter residents are Ruth and Joseph Low. What makes Ruth and Joseph so special is that during their time in the Virgin Islands, St. John specifically, they truly become part of our islands and culture. Proof of their immersion and love for St. John is clear in their collaboration with one of St. John's greatest cultural historians, Lito Valls, in the production of "backtime," a book which captures the unique history, lifestyle and culture of St. John, through the quotes of early and present residents.

What greater compliment can the community of St. John have than to have people like the Lows who care enough about their part time home, that they help to create a book on the spirit and character of St. Johnians and the very special island of St. John.

TRIBUTE TO SID HARRINGTON

HON. WILLIAM M. THOMAS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 14, 1986

Mr. THOMAS of California. Mr. Speaker, my fellow Representatives, I ask you to join me in paying tribute to the retiring principal of the Antelope Valley Adult School in Lancaster, CA.

Friends and colleagues of Sid Harrington will be gathering to honor him on his retirement, which begins July 1, 1986.

Sid has served as principal of the school for 12 years. He received his bachelor of science degree and master's degree from California Polytechnic State University, in San Luis Obispo in June 1950. Before becoming principal of the Antelope Valley Adult School Sid was an agriculture teacher for Antelope Valley Union High School District. He then served as vice principal in the three district high schools for several years and as an administrative assistant for 2 years.

His experience as a teacher gave him special insight into the importance of a good relationship between teachers and administrators. The slogan of the Antelope Valley Adult School is "where everybody is somebody." And it's the dedication of people like Principal Harrington that makes this school a special place for adults seeking to enrich their lives by returning to the classroom.

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Any changes in committee scheduling will be indicated by placement of an asterisk to the left of the name of the unit conducting such meetings.

Meetings scheduled for Thursday, May 15, 1986, may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

MAY 16

9:30 a.m.

Commerce, Science, and Transportation

To hold hearings on the nominations of Vice Admiral Paul A. Yost, Jr., to be

Commandant, U.S. Coast Guard, with the grade of admiral, and Rear Admiral James C. Irwin, to be Vice Commandant, U.S. Coast Guard, with the grade of vice admiral.

SR-253

10:00 a.m.
Environment and Public Works
Toxic Substances and Environmental Oversight Subcommittee
To hold oversight hearings on the government approved release of genetically-engineered organisms.

SD-406

10:15 a.m.
Commerce, Science, and Transportation
Merchant Marine Subcommittee
To hold hearings on proposed legislation authorizing funds for the Maritime Administration, Department of Transportation, and proposed legislation authorizing funds for the Federal Maritime Commission.

SR-253

MAY 20

9:00 a.m.
Energy and Natural Resources
To hold hearings on S. 1302, proposed Natural Gas Regulatory Reform Act of 1985, S. 1251, proposed Natural Gas Utilization Act of 1985, S. 2205, to eliminate certain restrictions on the use of natural gas and petroleum, S. 2285, to promote competition in the natural gas market, to ensure open access to transportation services, to encourage production of natural gas, to provide natural gas consumers with adequate supplies at reasonable prices and to eliminate demand restraints, and S. 834, to increase competition in the transportation of natural gas.

SD-366

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Departments of Labor, Health and Human Services, Education, and related agencies.

SD-116

Environment and Public Works
Transportation Subcommittee
To hold hearings on S. 2405, authorizing funds for fiscal years 1987-1990 for the Federal-aid highway program.

SD-406

Foreign Relations
To hold hearings to review the results of the Economic Summit and the implementation of the Baker plan designed to meet the global debt crisis.

SD-419

Judiciary
To hold hearings to examine the constitutionality of certain penalties imposed on individuals or companies which submit false claims to the government.

SD-226

Veterans' Affairs
To hold hearings on S. 2174, to require that non-Federal providers of hospital care and services receiving direct payment of Medicare funds for services to Medicare beneficiaries provide similar services to VA beneficiaries under similar VA payment policies, S. 2388, proposed VA Health-Care Programs Extension and Improvement Act of 1986, S. 2445, proposed Veterans' Health Care Programs Improvements Act of 1986, S. 2422, to increase the rates of disability compensation for disabled veterans, S. 2168, to improve veterans benefits for former prisoners of war, S. 2304, to extend the period of time during which veterans' readjustment appointments may be made, and S. 2423, and the provisions of S. 2186 and S. 2187, bills to exempt certain VA programs from any sequester order.

SR-418

10:00 a.m.
Commerce, Science, and Transportation
Consumer Subcommittee
To hold hearings on committee amendments to S. 100 and S. 1999, bills to provide for a uniform product liability law.

SR-253

Governmental Affairs
Business meeting, to consider pending calendar business.

SD-342

Labor and Human Resources
Business meeting, to consider pending calendar business.

SD-430

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Indian Health Service, Department of Health and Human Services.

SD-192

MAY 21

9:30 a.m.
Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the U.S. Information Agency, and the National Endowment for Democracy.

S-146, Capitol

Judiciary
To resume hearings on S. 2160 and S. 2022, bills to clarify and improve the analysis of mergers under the antitrust laws.

SD-226

Judiciary
Patents, Copyrights and Trademarks Subcommittee
Business meeting, to mark up S. 1739, to legalize the home taping of copyrighted music and other audio material in exchange for a royalty on audio recording equipment.

SR-485

Select on Intelligence
To hold closed hearings on intelligence matters.

SH-219

10:00 a.m.
Agriculture, Nutrition, and Forestry
To hold hearings on the nominations of Peter C. Myers, of Missouri, to be Deputy Secretary of Agriculture, and Christopher Hicks, of Maryland, to be General Counsel, Department of Agriculture.

SR-332

Energy and Natural Resources
Business meeting, to consider pending calendar business.

SD-366

Labor and Human Resources
To hold oversight hearings on strategies to reduce hunger in America.

SD-430

Select on Indian Affairs
To hold oversight hearings on certain issues resulting from a decision of the 10th Circuit Court of Appeals in the case of the Ute Indian Tribe v. the State of Utah.

SD-538

2:00 p.m.
Judiciary
To hold hearings on pending nominations.

SD-226

Labor and Human Resources
To hold hearings on the organ transplant task force report.

SD-430

JUNE 3

9:30 a.m.
Commerce, Science, and Transportation
Business meeting, to consider pending calendar business.

SR-253

Energy and Natural Resources
To hold oversight hearings on the implementation of the Public Utility Regulatory Policies Act (P.L. 95-617).

SD-366

Finance
To hold hearings on S. 2331, to assure the quality of inpatient hospital services and post-hospital services furnished under the Medicare program, and related matters.

SD-215

10:00 a.m.
Environment and Public Works
To hold hearings on the expansion of the Old Post Office Pavilion in the District of Columbia.

SD-406

Governmental Affairs
Energy, Nuclear Proliferation and Government Processes Subcommittee
To hold hearings on statistical policy for an aging America.

SD-342

2:00 p.m.
*Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for fossil energy and clean coal technology.

SD-192

JUNE 4

9:30 a.m.
Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Departments of Commerce, Justice, and State, the Judiciary, and certain related agencies.

S-146, Capitol

10:00 a.m.
Commerce, Science, and Transportation
Merchant Marine Subcommittee
To hold hearings on S. 1935, to provide for certain vessels to be documented under the laws of the United States to entitle them to engage in domestic coastwise trade.

SR-253

Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366

Labor and Human Resources
To hold oversight hearings to review the imposition of user fees in FDA approval procedures for new drugs.
SD-430

JUNE 5

9:30 a.m.
*Labor and Human Resources
Education, Arts, and Humanities Subcommittee
To hold hearings on S. 2256, to remove certain requirements relating to reservations of funds for special alternative instructional programs and transitional bilingual educational programs.
SD-430

10:00 a.m.
Energy and Natural Resources
To resume oversight hearings on the implementation of the Public Utility Regulatory Policies Act (P.L. 95-617).
SD-366

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the National Endowment for the Arts, and the Institute of Museum Services.
SD-192

JUNE 10

9:30 a.m.
Environment and Public Works
Environmental Pollution Subcommittee
To hold oversight hearings on ozone depletion, the greenhouse effect, and climate change.
SD-406

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Office of the Secretary and Office of the Solicitor, Department of the Interior.
SD-192

JUNE 11

9:30 a.m.
Environment and Public Works
Environmental Pollution Subcommittee
To continue oversight hearings on ozone depletion, the greenhouse effect, and climate change.
SD-406

10:00 a.m.
Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366

Labor and Human Resources
To hold hearings on efforts to improve the health status of children.
SD-430

JUNE 12

9:30 a.m.
*Energy and Natural Resources
Public Lands, Reserved Water and Resource Conservation Subcommittee
To hold hearings on S. 2204, to permit the use of park entrance, admission, and recreation use fees for the operation of the National Park System, and S. 2130, to preserve, protect and revitalize the National Park System.
SD-366

Select on Indian Affairs
To hold hearings on S. 830, to expand Indian education programs to include Native Hawaiians.
SR-485

10:00 a.m.
Labor and Human Resources
Education, Arts, and Humanities Subcommittee
To resume joint oversight hearings with the House Committee on Education and Labor's Subcommittee on Elementary, Secondary and Vocational Education on illiteracy in America.
2175 Rayburn Building

JUNE 17

9:00 a.m.
Environment and Public Works
Nuclear Regulation Subcommittee
To hold hearings on S. 1235 and S. 2291, bills to promote more effective and efficient nuclear licensing and regulation.
SD-406

9:30 a.m.
Energy and Natural Resources
Public Lands, Reserved Water and Resource Conservation Subcommittee
To hold hearings on S. 2055, to establish the Columbia Gorge National Scenic Area.
SD-366

10:00 a.m.
Labor and Human Resources
To resume hearings on S. 1804, to establish a program to provide development and incentive grants to States for enacting medical malpractice liability reforms.
SD-430

Select on Indian Affairs
To resume hearings on S. 902, to establish Federal standards for gaming activities on Indian lands.
SD-106

JUNE 18

10:00 a.m.
Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366

Labor and Human Resources
Business meeting, to consider pending calendar business.
SD-430

JUNE 25

10:00 a.m.
Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366

Labor and Human Resources
To hold hearings on the administration of the Mine Safety and Health Review Commission.
SD-430

JULY 17

9:30 a.m.
Finance
Social Security and Income Maintenance Programs Subcommittee
To hold joint hearings with the Committee on Labor and Human Resources' Subcommittee on Employment and Productivity on work and welfare issues.
SD-430

Labor and Human Resources
Employment and Productivity Subcommittee
To hold joint hearings with the Committee on Finance's Subcommittee on Social Security and Income Maintenance Programs on work and welfare issues.
SD-430

JULY 22

9:30 a.m.
Finance
Social Security and Income Maintenance Programs Subcommittee
To resume joint hearings with the Committee on Labor and Human Resources' Subcommittee on Employment and Productivity on work and welfare issues.
SD-430

Labor and Human Resources
Employment and Productivity Subcommittee
To resume joint hearings with the Committee on Finance's Subcommittee on Social Security and Income Maintenance Programs on work and welfare issues.
SD-430

JULY 29

10:00 a.m.
Labor and Human Resources
Employment and Productivity Subcommittee
To hold hearings to review the response for home health care services.
SD-430

JULY 30

10:00 a.m.
Labor and Human Resources
Business meeting, to consider pending calendar business.
SD-430

AUGUST 13

10:00 a.m.
Labor and Human Resources
To hold hearings to review the private sector initiatives in human services.
SD-430

SEPTEMBER 10

10:00 a.m.
Labor and Human Resources
To hold hearings to review the human resources impact on drug research and space technology.
SD-430

SEPTEMBER 16

10:00 a.m.
Labor and Human Resources
To hold hearings on pending nominations.
SD-430

SEPTEMBER 24

10:00 a.m.
Labor and Human Resources
Business meeting, to consider pending calendar business.
SD-430

CANCELLATIONS

MAY 15

1:00 p.m.
Judiciary
Security and Terrorism Subcommittee
To resume hearings in closed session to examine legal mechanisms to combat terrorism.
S-407, Capitol

MAY 16

9:30 a.m.
Judiciary
Immigration and Refugee Policy Subcommittee
To hold hearings to review the progress of this year's refugee resettlement program, and on the Administration's proposed regional refugee admissions level for fiscal year 1987.
SD-226

JUNE 12

9:30 a.m.
Commerce, Science, and Transportation
Surface Transportation Subcommittee
To hold hearings on proposed legislation authorizing funds for programs of the Hazardous Materials Transportation Act.
SR-253