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House of Representatives

The House met at 12:30 p.m. and was called to order by the Speaker pro tempore [Mr. CRAPO].

DESIGNATION OF THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC,
February 27, 1995.

I hereby designate the Honorable MICHAEL D. CRAPO to act as Speaker pro tempore on this day.

NEWT GINGRICH,
Speaker of the House of Representatives.

MORNING BUSINESS

The SPEAKER pro tempore. Pursuant to the order of the House of January 4, 1995, the Chair will now recognize Members from lists submitted by the majority and the minority leaders for morning hour debates. The Chair will alternate recognition between the parties, with each party limited to 30 minutes and each Member other than the majority and minority leaders limited to 5 minutes.

The Chair now recognizes the gentlewoman from Colorado [Mrs. SCHROEDER] for 5 minutes.

PROTECT CHILD NUTRITION PROGRAMS

Mrs. SCHROEDER. Mr. Chairman, I am proud to come to the floor to talk about children. As you know, I used to chair the Select Committee on Children, Youth and Families, and I just returned from Denver where people are really very troubled by what is happening to children in this new talk about block granting school lunches, money for WIC, and money for non-school child care.

I am very, very proud that in my State we have what is called the Colorado Children's Campaign. A year ago they started something that has been carried on here, this year, by people advocating for these programs.

What they did was dress dolls and then tied a story of a real Colorado child around that doll's neck, to talk about how these programs really do affect children.

For example, here is one that was made by a Coloradan. This young child's name is Wayne. He is 6 months old. He has a big sister. His mother does not want him. So therefore let me tell you what happened to Wayne. Wayne went to grandma. Grandma decided she did not want this little boy. He is now in foster care. This is a child who is going to be dependent upon nutrition services or he is going to not be well raised. I think that is very, very important.

They also brought this little girl. This little girl's name is Susan. Her dad left her mom. Her mom went on welfare. Her mom got job training, finally found a job, and Susan is now in child care. But that child care center receives food from the U.S. Agriculture Department, and that is part of the food that we are talking about block granting.

Now, many of my constituents were trying to move these around the Hill last week and felt very intimidated. People were telling them these dolls were not welcomed in committees, they were not welcomed in the Halls of Congress, because people wanted to be able to cut these programs and not realize what they were really doing.

We talk about numbers, but behind every one of these numbers is a child who is not fortunate enough to be able to pick its parents. Therefore, they are in real trouble if this country backs down on the commitment we have made for the last 50 years to nutrition and making sure that every American child gets a good start.

You know, James Baldwin said it better than any of us. He said these are all our children, and we will all either profit by or pay for whatever they become.

I think that was the motto that started this whole area of child nutrition programs. We know Harry Truman started it in 1946 after they were horrified by the level of malnutrition they saw of young men applying to fight during World War II. So as a consequence, it has grown and grown.

We now have some very disturbing statistics from the Department of Agriculture about what will happen if this Congress moves to implement the block grants that we are talking about. If we implement those block grants, we know that the WIC Program would immediately cut out 275,000 recipients today. If you compared it to what is in the President's budget, it would be over 400,000 recipients. These are low-income women that are getting food to try and make sure that their child is born safely.

Now, that is very important, because in my State of Colorado we have more babies born too small to be healthy this year than any other year since 1976. So our hope had been they would be expanding this program. We know that nutrition during pregnancy is a critical, critical problem, and if we do not feed them, then we end up with all sorts of developmental problems later on.

If you look at the school lunch program, in my city of Denver there is about 70 percent of the kids, 70 percent of the kids in Denver, CO, qualifying for subsidized lunch programs. That is because so many of the middle class kids have left.

Well, if this goes into effect, many children are going to be pushed out or there will be no national nutritional standards. Instead you are going to have 50 different States doing whatever

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they want to do, with no monitoring and being able to spend the money however they want.

I think Americans have been proud of the school lunch program. It has been a program that works, it has been a program that has been efficient, it has had national standards, and we have seen the results through our military recruitment. I would hope this body reconsiders what happens and try to undo some of the damage we have seen by the block grants that are coming forward.

REPORT ON UNITED STATES MILITARY OPERATIONS IN HAITI

The SPEAKER pro tempore. Under the Speaker's announced policy of January 4, 1995, the gentleman from Florida [Mr. GOSS] is recognized during morning business for 5 minutes.

Mr. GOSS. Mr. Speaker, it is day 162 of the occupation of Haiti by United States troops. The costs are about $850 million, heading to $1 billion, but every American can feel safe and secure that the Haitian military is not going to invade us.

Congress put itself back into the Haiti policy loop last year, after some of the concerns we had about the way it was being handled by the White House, by requiring reports. I have the report from February 1 submitted by the White House to Congress. The report, a bit self-congratulatory, documents the success of operations in Haiti to date. Indeed, it does that. It is a short report.

What it does not do is document the problems we are facing and the risks we are facing and the costs we are obligating our taxpayers to at all, and that is something that needs to be done.

I read from the report. It says the purpose of our mission down there was to use all necessary means to secure the departure of the coup leaders. Many will remember they have left, and I think we have primarily former President Carter, General Colin Powell, and Senator SAM NUNN to thank for that. Certainly the threat of the force of our U.S. military was part of that. But the fact is, maybe we did not need to send 21,000 of our assault troops to that friendly, neighboring country to accomplish the removal of those coup leaders.

But let us go on to the next point, restoring the legitimate, democratically elected Government of Haiti to power. The administration is claiming great success for that. Well, they have not restored the Government of Haiti to power. They have restored President Aristide to power in his White House, but we no longer have a Parliament in Haiti, which is an essential part of government, and we certainly do not have much of a judiciary system. Any student of the Constitution in this country will understand that a functioning democracy has to have those three branches of government, which they do not have in Haiti.

You also have to say that in Haiti that the Haitians are not the power. The Government of Haiti is certainly not the power. It is the U.S. military that is the power down there now. To say that it has been restored to the Haitian people is a further mistruth, because it is only to select Haitian people.

If you go to Haiti today and say how do you feel about the United States troops, you will get a number of answers, depending on who you talk to. The people who are pro-Aristide will say we are very friendly. The people who are not pro-Aristide, which is about 30 percent of the country or so, will say we think everything the U.S. Government is doing is backing Aristide, and it is very pro-Lavalas, and we are being identified with one man's power, one man's presidency in that country, and that is a dangerous place for our foreign policy to be.

But moving forward from those points, when we talk about whether or not the Haitians can run Haiti yet, it is clear they cannot, and even though we and the United Nations have declared that it is a secure and stable environment, we saw just last week that they had a massacre as soon as our troops left one of the enforcement areas, the police station up in a town called Limbe. Our troops left, the mob went in, grabbed the people out of the station, beat them to death, burned them, and at least had the decency to bury them after that.

That is an isolated incident, I agree. But I suspect as our forces leave, we need to be on guard. To say things are secure and stable may be stretching the point just a little bit the way things are in Haiti today.

That police force is supposed to provide some of the stability. Some observers now are saying they are being politicized, deliberately politicized by President Aristide; he is bypassing passing some of the screening process put in to build a professional police force. This is a serious problem and we need to know a lot more about it.

I think that the report that we are talking about, restarting the Haitian economy, which is very important, signals something very curious for us as American taxpayers. We have about $1.6 billion pledged for our military support, and another $1 billion pledged for some type of aid support over the next year or so, I think would be a fair statement, and yet it is all at the top. It is not down at the bottom. We are not getting the money and the expertise down at the working level on the front lines of commerce.

Talking to businessman after businessman after businessman, our program there is misdirected, and that is something we have to refocus very quickly, especially for that kind of money.

We are paying a very heavy price in Haiti as taxpayers, as I said. What are we spending money on? We are buying troops from other countries. We are paying foreign soldiers, paying them at the rate of about $1,000 a month to foreign governments, who are taking a handling fee to put their troops into Haiti as part of a joint task force. Our troops down there are being used right now for things like garbage collecting, writing speeding tickets, making traffic flow work, that kind of thing.

In this report, interestingly enough, the White House says we must have to cover a $2.6 billion shortfall in our defense spending because without it the net effect will be a significant decrease in overall military readiness.

In other words, our military readiness is at threat because our troops are picking up the garbage in Haiti. We need a fuller report from the White House.

SSI EXTENSION TO GUAM AND THE VIRGIN ISLANDS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 4, 1995, the gentleman from Guam [Mr. UNDERWOOD] is recognized during morning business for 5 minutes.

Mr. UNDERWOOD. Mr. Speaker, today I am introducing legislation to correct the fundamental flaw in the Republicans' welfare reform proposal contained in the Contract With America. Their proposal would substantially undermine the public assistance program by sending block grants to the States, limiting the Federal spending, and dropping millions of children and adults from the rolls, thus jeopardizing them to a future of poverty, joblessness, and hopelessness.

The Republican proposal to restructure the welfare system is fraught with provisions to exclude noncitizens from receiving many public assistance programs. For instance, they would be ineligible for Medicaid, SSI, and a variety of food, housing, and health care programs. The denial of these services to low-income children and families is cruel and would only exacerbate their poverty and dim their hopes for a better future.

While there should be strong and vigorous debate on the inclusion of noncitizens, perhaps it is not clearly known that not all U.S. citizens are included in the benefits. Let me repeat this: Not all U.S. citizens are eligible for SSI.

I am concerned about a major omission in the majority's welfare reform bill, which fails to address the need for Supplemental Security Income coverage for the territories. Since the implementation of the SSI Program in 1974, the citizens of the insular areas have been excluded from participating in this program. The Republican bill continues to deny SSI benefits to the U.S. citizens living in these offshore areas. The bill I am introducing today would extend the SSI Program to Guam and the Virgin Islands, and I understand that the extension of SSI to American Samoa and Puerto Rico will be addressed in separate legislation.

The gross disparity of denying SSI to the territories is particularly significant, coupled with the fact that the total Federal expenditures for all cash assistance programs, including the Aid to Families with Dependent Children and the adult assistance programs, are capped each year for the insular areas. For Guam, the Federal cap is $3.8 million per year. In fiscal year 1994, Guam spent under Federal mandate approximately $15 million to provide Federal assistance to eligible low-income individuals.

Today, I am seeking a quality of treatment for the people of Guam and the Virgin Islands in comparison with those residents of the 50 States and the District of Columbia. Citizenship in this country and the privileges associated with it should not be measured by geographic choice, in residency, or the size of one's pocketbook. Whether one chooses to live in Alaska, Florida, or the Virgin Islands, a federally funded program should be accessible to everyone. However, if you are residing in Agana, Guam, or St. Croix, Virgin Islands, you are not eligible for SSI benefits.

Finally, providing SSI benefits to Guam and the U.S. Virgin Islands will provide the well-being of low-income aged, blind, and disabled residents of our island economies who are dependent on imports from the States and foreign markets.

Guam and the Virgin Islands have been associated with Uncle Sam for many years. In a partnership associates share in the benefits of the association. Uncle Sam, it is time to share the wealth and the responsibility of caring for your partners. We on Guam have fulfilled our responsibilities by giving up one-third of our island for national security, giving our sons and daughters to fight in wars all over the world, and giving loyalty to the American flag every day of our lives.

And here is the fundamental craziness in SSI eligibility, both from the past and into the present. The Commonwealth of the Northern Marianas is included and eligible under current SSI regulations, and they are 40 miles from Guam and have been associated with the United States since 1976 and became citizens at that time. Guam, whose people have been under the U.S. flag since 1898 and became citizens in 1950, and the Virgin Islands, whose people came under the flag in 1917 and became citizens in 1927, are ineligible.

Why the loyalty and dedication of the citizens of these two territories goes unrewarded while others assume benefits, including noncitizens resident in this country? Who knows. But we want to fix it, and this is one of the things that we can fix, and we can fix today.

I urge my colleagues to join me in extending the SSI benefit to the two insular territories of Guam and the Virgin Islands.

SUPPORT THE RISK ASSESSMENT AND COST-BENEFIT ACT

The SPEAKER pro tempore. Under the Speaker's announced policy of January 4, 1995, the gentleman from Georgia [Mr. NORWOOD] is recognized during morning business for 5 minutes.

Mr. NORWOOD. Mr. Speaker, I rise today in support of the Risk Assessment and Cost-Benefit Act. We must put an end to the overreaching bureaucrats whose choking regulations threaten American people every day. We must make the first rule of our regulatory system common sense. The bill will force Federal bureaucrats to use a little more common sense.

The examples of Federal regulatory nonsense are too numerous for me to mention here. Some are painful and some are just plain absurd. A pair that come to mind include an OSHA rule that cost the dental industry over $2 billion but produced no measurable improvement in worker safety, or then there's OSHA's attempt to declare bricks a potentially poisonous substance—yes, bricks. I imagine it is only a matter of time before some bureaucratic genius issues an advisory that says, ''If Americans stopped driving their cars, there would be a lot fewer auto accidents.''

Mr. Speaker, the way to bring sensibility to Federal regulations is to apply risk assessment and cost-benefit analysis as in our bill. The EPA and the FDA's own estimates suggest that their new regulations cost the economy as much as $12 billion each year. Our bill will force these bureaucrats to prove that the cost is worth the benefit we receive from those regulations. It will force agencies to focus on the most dangerous risks to society. It will force regulators to look at the effectiveness of $10 million solutions versus $100 million solutions.

Our opponents will argue that this legislation will roll back existing regulations. They will argue that this bill will endanger the safety of Americans. Mr. Speaker, the EPA Director, Carol Browner, went so far as to say, ''20 years of protection of our children, our air, our land, and our water are being rolled back in the dead of night.'' Nothing could be further from the truth. Mr. Speaker, EPA Director Browner's remarks only show how desperate Federal bureaucrats are to hold on to the coercive power they now have over American business and the American people.

The main principle of our regulatory reform system must be common sense. The Risk Assessment and Cost-Benefit Act will force Federal bureaucrats to focus their regulatory efforts on what will benefit Americans the most. It will prevent Federal bureaucrats from forcing industries to spend millions, even billions of dollars without proving with good science the responsibility of that action. It will force Federal bureaucrats to give cost-effective solutions the same consideration and the same weight as the extravagant ideal solutions they pursue today.

Mr. Speaker, it is past time that we recognize that our resources are not boundless. If we are to save ourselves from the debt that is crushing us every day, we must force Federal regulators to behave responsibly and ease the burden they place on our economy.

□ 1250

THE BALANCED BUDGET AMENDMENT

The SPEAKER pro tempore (Mr. CRAPO). Under the Speaker's announced policy of January 4, 1995, the gentleman from Kansas [Mr. TIAHRT] is recognized during morning business for 2 minutes.

(Mr. TIAHRT asked and was given permission to revise and extend his remarks.)

Mr. TIAHRT. Mr. Speaker, tomorrow the Senate will vote on the balanced budget amendment and they are one vote short. That is an issue that is very much needed by all Americans.

We must balance the budget. We must provide this discipline to end the deficit spending and to shrink Government and reduce the tax burden.

Over the last 25 years we have been unable to exercise the self-discipline of a balanced budget. So passage of the balanced budget amendment means an ending to the liberal welfare state just like passage of regulatory reform meant an end to the nanny state.

The balanced budget amendment is not only important to this generation, Mr. Speaker, but it is important to the next generation. We are $4.5 trillion in debt. The balanced budget amendment starts a glide path that gets us down to the year 2002. It is a 7-year plan.

My oldest child Jessica is now 14 years old. In 7 years she will be 21. She will be out of college. She will be paying taxes and contributing to society. So it will be up to her generation to pay off the debt because we have spent their money. If it takes as long to pay off the debt as it took for us to spend it, to raise the debt, than she will be nearly 50 years old.

One vote away. Mr. Speaker, we must have this discipline. Because if we do not get this discipline, Americans, I fear, will lose faith in this economy and in this system of self-governance, just like Mexico recently lost faith in their economy. It caused a near economic collapse, and we are still struggling with the solution to that problem.

We just ask that the Senate join with the Republicans in the House and all across the Nation who want a balanced budget amendment because we are committed to stopping the out-of-control spending and the out-of-control regulation. We are working hard for real change and for keeping our promises.

CHINA AND INTELLECTUAL PROPERTY RIGHTS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 4, 1995, the gentlewoman from California [Ms. PELOSI] is recognized during morning business for 5 minutes.

Ms. PELOSI. Mr. Speaker, this weekend U.S. Trade Representative Mickey Kantor announced that the United States and China reached an agreement that will provide protection of intellectual property rights for the United States companies and provide market access for intellectual property-based products. Good for him, and I commend the Clinton administration for their tough negotiating stand that they took on reaching this agreement.

The agreement between China and the United States contains the following commitments from China: to take immediate steps to address rampant piracy throughout China; to make long-term changes to ensure effective enforcement of intellectual property rights; to provide United States rights holders enhanced access to Chinese markets. This includes a commitment for no quota on United States audio-visual products among other provisions.

Mr. Speaker, this agreement—and it was necessary for the administration to be so very tough—this was necessary because about 3 years ago, the Bush administration, in addressing this intellectual property problem, engaged in a memorandum of understanding with the Chinese. Operating in good faith, the United States entered into this agreement which, unfortunately, the Chinese did not enter into in good faith. Because China did not live up to its obligation of the agreement to enforce its laws and regulations, intellectual property rights have been virtually absent in China. Respect for them have been absent and piracy rates are soaring in all the major centers along China's increasingly prosperous east coast. In the past 2 years Chinese companies have been exporting pirated products in large volume. Not only are they pirating intellectual property for domestic consumption, they have become exporters to Asia and Latin America, Canada and the United States of our intellectual property.

For example, Mr. Speaker, China—in China they have a capacity to produce 75 million CD's for a domestic market that can only absorb 5 million CD's annually. So they produce 15 times more than they can possibly consume domestically under the present circumstances.

So it was, as I say, I thought that the memorandum of understanding was weak when it was entered into, but the Bush administration gave the Chinese the benefit of the doubt.

Since that time, as you know, Mr. Speaker, there has been a boom in the Chinese economy, the rates of growth have been record highs—have reached record highs. And with that increase in the boom have increased the piracy and violations of our intellectual property agreement.

The agreement is one thing, however, and enforcement is another. Today's action was necessary because of the failure of the MOU, as I mentioned.

Why am I suspicious and why do we have to be very vigilant as far as the Chinese on the enforcement of the intellectual property? Because of several factors.

In the past 5½ years, since Tiananmen Square, the trade deficit with China, largely because of unfair trade practices of the Chinese, has increased from $6 billion to $30 billion—$30 billion trade deficit. I told you about the CD's, 75 million—for domestic consumption, 5 million. At that, pirated, even the 5 million would be pirated.

You may recall, Mr. Speaker, that the paramount leader, Deng Xiaping visited south China to support the market reforms going on there and with great pride he visited the Shen Fei factory in 1992, the very factory that was producing pirated illegal U.S. intellectual property.

Many of us, people even in the administration, are suspicious of the Chinese willingness to crack down on that particular factory because relatives of the highest leaders in China benefit from the profits. They are the owners. Indeed, it might surprise you, Mr. Speaker, to know that even the trade ministry of China uses pirated Microsoft software. So when I say that they do not operate in good faith in the memorandum of understanding, you know why I am suspicious.

But one other thing happened over the weekend in relationship to China. I wanted to call it to the attention of our colleagues.

Twelve intellectuals petitioned China on corruption. The dozen prominent intellectuals formally petitioned the parliamentary bodies to conduct an independent investigation into corruption of the Chinese leadership. The presentation of the 2,000-word petition marks the first time in a year that an organized group of scholars, writers, and former Communist Party members—indeed, two of these people were former editors of the People's Daily; they had been fired because their prodemocratic sympathies, proreform sympathies.

In any event, my point is: If the administration pays at least 1 percent of the time to the rights of the intellectuals, the workers, the people of China as it is done to intellectual property rights, we might be able to have some success in that arena as well.

I wanted to make sure our colleagues were aware of the petition of the intellectuals.

THE SCHOOL LUNCH PROGRAM

The SPEAKER pro tempore. Under the Speaker's announced policy of January 4, 1995, the gentleman from Ohio [Mr. HOKE] is recognized during morning business for 5 minutes.

Mr. HOKE. Mr. Speaker, I have been troubled over the past 10 days and particularly this weekend over the rhetoric that has been coming from the other side of the aisle with respect to the school lunches and WIC, which means the program that is for women, infants and children. We have been attacked on this side of the aisle with all of the old canards: callousness, lack of compassion, not caring at all, being the toutees of big business, et cetera, et cetera, et cetera.

I have been extremely curious about why the Democrats have been attacking us with such viciousness. We heard another attack just this morning on the same subject, not a vicious attack, but an attack nonetheless. And because it is clear to me that when you analyze the Republican approach to this, it certainly does not do what the Democrats claim it would do. In other words, it is not on the facts that people are confused.

If you listen to the numbers, Mr. Speaker, you get a very different picture. First of all, the amount that we are spending on school lunches in 1995 is $4,509,000,000. Under the base line, what the proposal from the President, it would have been $4,703,000,000 in 1996. Our Republican proposal actually increases that to $4,712,000,000. So in other words, there is more money going to school lunches, certainly $200 million more than in 1995. Actually, $9 million more than, I am sorry, not $9 million, $90 million more than had been proposed in the President's budget. And so that does not square with the attacks you have heard.

Look at the WIC spending. WIC is money that goes to women, infants and children, $3,470,000,000 in 1995. Under our proposal, $3,684,000,000 in 1996, an increase of more than $200 million. That is also an increase of $100 million over the CBO baseline estimate.

Now, I started to think about this. I thought, if we are in fact increasing the amount of money that is going to school lunch spending, why is it that we have been attacked by the President, by the administration, by Cabinet members and by leadership on the other side of the aisle? It seems to me that what you have to look at is who is being cut. And who is being cut by this program are bureaucrats in Washington. The people in Washington that have been making these decisions, they are cut through the Ag budget. They are cut substantially. It is real pain for a person that is losing their job in the Federal bureaucracy. I do not doubt that for a moment. But the fact is, that when we are making the cuts, as a result of that, you have to say to yourself, who is it that the Democrats are representing in this process? Are they representing the children or are they representing the bureaucrats?

So I decided to myself, well, maybe what I want to do is what I used to do in the private sector, and that is follow the money.

So I did a little analysis, the details of which I am going to disclose later on today, but it compared the number of dollars that have been contributed to Democrat candidates over the past 10 years, the past five cycles, by Federal employee PAC's, political action committees. Those are special interests that give money to candidates.

I compared those dollars given the Democrats to dollars by those same Federal employee PAC's given to Republicans. Guess what I found out? I found out that Democrats get more than 10 times the amount of those dollars in terms of contributions. So I started to say to myself, of course, there is something very natural going on here. The Democrats understand who their constituents are. Their constituents are not the children. Their constituents are not the children who, in this case, here is a doll that was given to me by Jamie. It was brought to me by Billy Osborn Fears, who is probably one of the most wonderful, responsible, intelligent, creative, energetic, committed social workers I have ever met working in Cleveland, OH. And what the Democrats are saying is that Billy Osborn Fears, who actually goes in and out of these centers on a daily basis, she is there, she knows what is needed, she knows how to administer these things, she knows how to get the biggest bang for the buck, that she does not have as much intelligence or commitment as the Federal bureaucrats in Washington do.

I am not going to impugn the reputation of people working in Washington, but I will tell you one thing, and that is, that if you are in Washington, how can you possibly know what is needed on the west side of Cleveland? How can you possibly have the same sensitivity to what is needed in the borough of the Bronx of New York, if you are not there, if you are not there every day? And that is what this program is all about.

It is a very different way of spending your Federal tax dollars.

Mr. Speaker, it is very important. So I started to think about this. My only conclusion is that you have to determine who the constituents are. We represent the children.

RECESS

The SPEAKER pro tempore. There being no further Members listed for morning hour, pursuant to clause 12, rule I, the Chair declares the House in recess until 2 p.m. today.

Accordingly (at 1 o'clock and 5 minutes p.m.) the House stood in recess until 2 p.m.

□ 1400

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore [Mr. BEREUTER].

PRAYER

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

We know, O gracious God, that when the resources of our minds and spirits grow fragile and the burdens are great, we can seek Your will and Your way in our prayers. We recognize that our intellect and our commitment are not enough for all the pressures and anxieties of daily life and we are often too slow to seek Your guidance and assurance. We pray, O God, that Your grace that is greater than we could ask or imagine, will be with us in all the moments of life and give us that strength and that peace that the world cannot give. In Your name, we pray. Amen.

THE JOURNAL

The SPEAKER pro tempore. 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.

PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore. Will the gentleman from Ohio [Mr. TRAFICANT] come forward and lead the House in the Pledge of Allegiance.

Mr. TRAFICANT led the Pledge of Allegiance as follows:

> I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

REPUBLICAN CONTRACT WITH AMERICA

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

Mr. WELLER. Mr. Speaker, our Contract With America states the following:

On the first day of Congress, a Republican House will require Congress to live under the same laws as everyone else; cut committee staffs by one-third, and cut the congressional budget. We kept our promise.

It continues that in the first 100 days, we will vote on the following items: A balanced budget amendment—we kept our promise; unfunded mandates legislation—we kept our promise; line-item veto—we kept our promise; a new crime package to stop violent criminals—we kept our promise; national security restoration to protect our freedoms—we kept our promise; Government regulatory reform—we are doing this now; welfare reform to encourage work, not dependence; family reinforcement to crack down on deadbeat dads and protect our children; tax cuts for middle income families; Senior Citizens' Equity Act to allow our seniors to work without Government penalty; commonsense legal reform to end frivolous lawsuits, and congressional term limits to make Congress a citizen legislature.

This is our Contract With America.

SCHOOL LUNCH PROGRAM

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

Mr. UNDERWOOD. Mr. Speaker, every day on Guam 18,000 hot lunches and 6,000 breakfasts are served to schoolchildren.

As a former classroom teacher, I know the value of a nutritious meal to the learning process. And I can spot when someone has not done their homework and is faking it.

The other side would argue that they cut this program, but it is included in the new block grants better entitled block head grants. This rationale is baloney. The new block grants are by every admission, a way that will eventually cut programs and reduce funding. The savings are supposed to be in less bureaucracy. But school lunches are not made by bureaucrats. These programs work quite well because they are administered by the elementary school principals for the benefit of our children whom we place in their trust.

We need to send some Members of Congress back to first grade to relearn their ABC's—

A. Elementary schools are not bureaucracies.

B. Schoolchildren are not freeloaders; and,

C. Hot lunches are not pork.

MEAN SPIRITED

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

Mr. HAYWORTH. Mr. Speaker, as we have just heard, some overmodulated liberals in the new minority have taken to calling our new Republican majority mean spirited. By their curious standards, our attempt to cut Federal bureaucrats is mean spirited. Our efforts to reform welfare are mean spirited.

But, Mr. Speaker, it is fair to ask, what is the real definition of mean spirited? Is defending a system that wastes the taxpayers' money not mean spirited? Is fighting an effort to instill some fiscal responsibility not mean spirited? Is continuing a welfare mentality that kills opportunity and creates hopelessness not mean spirited? Is taking money from future generations to pay interest on our debt today not mean spirited? That is why we need the balanced budget amendment.

Mr. Speaker, defenders of the old order have always accused those of us who want to bring change of being mean spirited. I urge those so quick to judge us to look in the mirror to see if they can find the true culprits.

NUTRITION BLOCK GRANT PROPOSAL CALLED MEAN SPIRITED

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

Mr. WARD. Mr. Speaker, today I rise in opposition to the mean-spirited nutrition block grant proposal. I say mean spirited, and I do intend to say that, because what the Republicans are saying is, ''No, we're not going to cut the amount of money that's spent. We're going to put it into one bundle or block and give it to each of the States.''

You know, that sounds good on the surface, but what they are doing is saying, ''What we're going to spend is a fixed amount. It's not going to depend on the economy. It's not going to depend how some regions of our country fare compared to some other regions. It's going to depend on how much we want to give them today.''

Let me tell you, Mr. Speaker. It will devastate our Nation's children. Children are the most defenseless population in America. They are entirely at the mercy of adults. We have a moral obligation to provide for these children.

When I was in the Peace Corps, living in Africa, I was not surprised to see children malnourished. I do not want to see it in America.

BALANCED BUDGET AMENDMENT

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

Mr. JONES. Mr. Speaker, while home over the weekend, numerous people shared their hope and anticipation in the passage of the balanced budget amendment. These people understand the need for this legislation since their share of the national debt exceeds $13,000. The debt now stands at over $4.5 trillion and it has been 25 years since the Federal Government has endorsed a fiscal year surplus.

My constituents and constituents nationwide want a balanced budget amendment because it denies the Federal Government from spending more than it takes in. It ensures that the Federal Government lives by the same rules as families, businesses, and local governments, and it restores fiscal sanity and common sense to Washington. As elected officials, it is our duty to work for passage of this legislation. This commonsense approach to changing business as usual is the right thing to do for future generations.

My fellow Members, it is my hope that this amendment passes for the sake of the American people.

CHINESE TRADE: THE FLY AND THE SHARK

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

Mr. TRAFICANT. Mr. Speaker, another trade deal with China. This time it is over software. Software, Mr. Speaker. While we are quibbling over software, China is melting down hardware in factories all over America.

Check this out. Nike makes over 1 million pairs of athletic shoes in China every year and it costs 17 cents to make a pair of those shoes. Nearly all of them are shipped to America and they sell for over $100 a pair. But these think tank experts keep telling Congress, we need these cheap Chinese goods so we can keep our prices down.

Beam me up, Mr. Speaker. I commend Mickey Kantor for his efforts, but the truth is I think this trade deal is a fly on China's face while a full-grown great white shark is eating America's assets. That is assets, Mr. Speaker. Think about it.

ENDING BIG BUSINESS AS WE KNOW IT

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

Mr. KNOLLENBERG. Mr. Speaker, tomorrow the other body will cast its most important vote to date on the balanced budget amendment. Only a balanced budget amendment can provide the discipline to end deficit spending, shrink the Government, and reduce the burden on American families to shoulder the national debt for generations to come.

The balanced budget amendment is still one vote short as President Clinton and the other guardians of big government are doing everything within their power to kill it.

The fact of the matter is that many Members of Congress and the President have absolutely no intention of ever balancing the budget. They seem to be content with ongoing $200 billion deficits and the intrusion of big government into the daily lives of American taxpayers.

Mr. Speaker, there is a fork in the road and the paths are clear. One leads to more of the same, deficits and higher taxes. The other leads toward the replacement of the welfare state with an opportunity society that understands that power emanates from people, not from government.

The choice is clear. I urge all my colleagues in the other body to move this country in the right direction.

PUBLIC BROADCASTING BRINGS REWARDS

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

Mr. MINETA. Mr. Speaker, last week the House Appropriations Committee took the first step to cut funding, and eventually eliminate, the Corporation for Public Broadcasting.

Public Broadcasting stations are different than commercial stations in that they are not always bound by the bottom line. This allows them to air programs commercial stations cannot afford. And it allows the American public to watch quality, commercial-free programming that is not available elsewhere.

The Corporation for Public Broadcasting ensures that our children watch Sesame Street rather than Beavis and Butthead, that quality arts and cultural entertainment are available, and that we get indepth news coverage on television and radio.

Mr. Speaker, as we cut Federal spending, we must be smart and responsible. And we should remember that for a relatively small investment, Public Broadcasting brings us great rewards.

PASS THE BALANCED BUDGET AMENDMENT

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

Mr. CHABOT. Mr. Speaker, after listening to some of my liberal colleagues on the other side of the aisle, you would think that balancing the budget was like dreaming the impossible dream. Actually nothing could be further from the truth. We can balance our budget. We just need to act a little more responsibly. That is why I support the balanced budget amendment to the Constitution. It forces us to act a little more responsibly.

One would think from the rhetoric of the liberal Democrats that balancing the budget means draconian cuts in the budget. Actually all we have to do is slow the rate of spending to an additional $2 trillion instead of $3 trillion in the next 7 years. The fearmongers are acting like we want to starve children. Ridiculous. We want to save our children's future.

I encourage all of my colleagues, pass the balanced budget amendment now.

CHILD SUPPORT ENFORCEMENT AND MEAN SPIRITEDNESS

(Mrs. SCHROEDER asked and was given permission to address the House for 1 minute.)

Mrs. SCHROEDER. Mr. Speaker, I rise today to thank the President for signing the order that will make the Federal Government a model employer on child support enforcement. I chaired the hearings last year where we had parent after parent come forward and talk about their problem of making Federal employees be responsible for paying child care. Now the President has done everything within his means and I would hope that this body would do everything within their means to fill in the things that we have to do by legislation.

I also would like to speak for a moment about the mean spiritedness I am hearing about on the floor today. I think it is rather ironic that the same bureaucracy that they do not want to handle child lunches is going to be able to continue doing food stamps. I mean, that makes no sense to me.

Why will 50 bureaucracies do a better job of handling children's lunches but you do not want to entrust the food stamps to them? I think we know. I think it is because we are going to let the bureaucracies eat the kids' food.

SUPPORT THE BALANCED BUDGET AMENDMENT

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

Mr. HOKE. Mr. Speaker, as the debate on the balanced budget amendment comes to a conclusion, the American people have heard a great many reasons why this amendment to the Constitution should not be enacted. There is the Social Security red herring. There is the canard regarding the role of the judicial branch. There are the dire predictions of gloom and doom to our economy. Excuses, diversions, distractions, delaying tactics.

The American voters do not want any more excuses. They want a balanced budget to the Constitution. They want this amendment because the people are tired of the Congress taxing and spending away our children's futures. They want this amendment because the Congress has proved incapable of coming to grips with our budget deficit without it.

Mr. Speaker, I urge opponents of the balanced budget amendment to stop with their excuses. A vote for the balanced budget amendment is a vote for the future prosperity of our Nation.

FEED THE CHILDREN

(Ms. PELOSI asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. PELOSI. Mr. Speaker, last week when we saw the proposals that were being made by the Republican leadership to cut the Federal nutrition programs, our colleague, TONY HALL, a great leader in the fight against hunger in America and indeed throughout the world, said, ''Up until now, the issue of hunger has not been debatable.'' Indeed it should not be. A great country, a decent country like ours should heed the Bible and feed the hungry.

Before we vote on these changes, because we will have to vote on them, which will jeopardize our children's health, we should think and we should listen. We should listen to the teachers. Teachers tell us that a hungry child is a distracted child. A good meal is an investment in learning. We should listen to the doctors. With the WIC Program, the doctors tell us that a dollar spent on nutrition for a pregnant mom saves $4 to be spent on problems to be dealt with with a sick child later, a malnourished child later.

In addition to our concern about the child, this has fiscal overtones. We should listen to the generals. It is indeed they who had suggested the School Lunch Program when they saw that our troops were malnourished in the 1940's.

This is not about domestic versus defense. This is about a strong defense. We must feed our children.

TODAY'S FORGOTTEN AMERICANS

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

Mr. SMITH of Texas. Mr. Speaker, the giant sucking sound in America in 1995 is a governmental grabbing of private property through ruinous regulation. Our farmers in the Midwest and across the Great Plains are unable to use their farmland because the Government calls their dry lands wetlands.

Property owners on the East Coast are denied the right to build homes for their families because bureaucrats deem their construction unwise.

Across, Texas, homeowners, ranchers, and farmers are warned they may not be able to use private land if a golden-cheeked warbler decides to nest there.

These are today's forgotten Americans. These citizens will be forgotten no longer if, later this week, we pass the Private Property Protection Act of 1995.

This legislation puts the rights of these Americans who do the work, pay the taxes, and pull the wagon on the same par as the blind cave spider and the fairy shrimp.

This legislation requires the Government to pay for land that it wants to use for a public good. It prevents us from shifting those costs onto the farmer, the rancher, the homeowner who happens to own the wrong land in the wrong place at the wrong time.

Mr. Speaker, let us remember the forgotten Americans.

REMEMBER THE CHILDREN

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

Mr. HILLIARD. Mr. Speaker, today I rise in protest to the Republican plan to transfer funding for the school student nutritional program to block grants to the States. The claim that this proposal will be beneficial by reducing bureaucracy is misleading and downright false.

The purpose of this program which has been in place for 49 years and has been modified and approved in previous Congresses is to ensure that our children are well-nourished and that they are provided with the nutritional substance that they need to get them through the day.

Many children who participate in this program have no other source for meals during the school day. The family may not be able to provide for the child because of financial difficulties, and, of course, we must acknowledge that parental neglect does take place even in affluent families.

How can we justify taking food from the mouths of poor children who are struggling to get through school? Mr. Speaker, we have lost a generation of children through violence and drugs. Let us not destroy another one through malnutrition and neglect.

OHIO LEADS THE COUNTRY IN THE GLOBAL MARKETPLACE

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

Mr. OXLEY. Mr. Speaker, I rise today to commend the manufacturers and workers of Ohio on a noteworthy achievement. According to World Trade Magazine, the State of Ohio ranks No. 1 in the country in the number of businesses that export goods. Thanks in no small part to the policies of Governor Voinovich and the Ohio Department of Development, 67 percent of Ohio's manufacturing companies with over 100 employees exported products last year. Ohio has become a major player in the world economy. In the words of the magazine's editor—

> This dispels the myth that Ohio is the capital of the Rust Belt. Ohio is one of the most progressive and forward thinking States in America in terms of export promotion.

Mr. Speaker, I am a long-time supporter of free trade and international competition. I cannot tell you how gratifying it is to see Ohio leading the country in the global marketplace. This is proof positive that protrade policies at the State and national levels are benefiting Ohio's workers.

FEDERAL FOOD ASSISTANCE

(Mrs. CLAYTON asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. CLAYTON. Mr. Speaker, it appears that our appeals for a compassionate Congress are paying off. On Friday, it was announced that the Committee on Agriculture had reached some accord with the Speaker and that the food stamps will not be converted to a block grant. It remains as an entitlement with a cap. While the cap is a problem, nonetheless we have won a battle, but the war goes on.

The Committee on Economic and Educational Opportunity has proposed a radical change in the School Lunch and WIC Programs. If these changes stand, 275,000 women, infants and children will be removed from the WIC Program. Nutritious meals served to some 185,000 family day care centers

will be eliminated. School food programs will be reduced by $309 million. The Committee on Agriculture is to be commended for taking the first step in the right direction.

But, Mr. Speaker, we have many more battles to fight for the hungry in America. The war goes on.

□ 1415

COSPONSOR REGULATORY A-TO-Z BILL

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

Mr. LATHAM. Mr. Speaker, I rise today to introduce legislation requiring each committee of the House to report a comprehensive regulatory relief plan during this session of Congress.

We are currently in the process of considering the Contract With America's long-overdue regulatory relief and reform provisions.

However, we need a vehicle for addressing existing excessive regulations that are costing our States, cities, and businesses hundreds of billions of dollars. This bill will provide that vehicle, free of the arbitrary schedules of reauthorization bills.

Under this proposal, every Member of the House would have the opportunity to offer amendments to their committees' regulatory package in order to streamline or reduce the costs of existing regulations, eliminate or reduce unfunded Federal mandates, and apply cost-benefit analysis review to existing regulations.

In the tradition of openness of the A-to-Z spending cut plan, I call this bill the regulatory A-to-Z bill. I hope all Members will join me as a cosponsor of this comprehensive regulatory reform bill.

AS THE ROMANS DID

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

Mr. FORBES. Mr. Speaker, Rome was not built in a day and the Washington bureaucracy will not be torn down in 100 days. While the President of the United States goes to foreign soil to criticize Members of this body, the Republican majority is making progress. We are working hard, we are keeping our promises and starting to change the way that Washington operates.

This week we continue to change the federal regulatory process.

For years, our small business sector has cried for an end to stifling regulations and arcane rules that hurt economic growth and kill jobs. We have heard those cries and we will deliver relief. We will create jobs and help the American people.

Next month we will continue to change Washington. We will end the cruel cycle of dependence and hopelessness by comprehensively reforming our welfare system.

RISK ASSESSMENT AND COST-BENEFIT ACT OF 1995

Mr. DIAZ-BALART. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 96 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. Res. 96

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 consideration of the bill (H.R. 1022) to provide regulatory reform and to focus national economic resources on the greatest risks to human health, safety, and the environment through scientifically objective and unbiased risk assessments and through the consideration of costs and benefits in major rules, and for other purposes. The first reading of the bill shall be dispensed with. General debate shall be confined to the bill and shall not exceed two hours equally divided among and controlled by the chairman and ranking minority members of the Committee on Commerce and the Committee on Science. After general debate the bill shall be considered for amendment under the five-minute rule for a period not to exceed ten hours and shall be considered as read. At the conclusion of consideration of the bill for amendment the Committee shall rise and report the bill to the House with such amendments as may have been adopted. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

The SPEAKER pro tempore (Mr. BEREUTER). The gentleman from Florida [Mr. DIAZ-BALART] is recognized for 1 hour.

Mr. DIAZ-BALART. Mr. Speaker, for purposes of debate only, I yield the customary 30 minutes to the gentleman from California [Mr. BEILENSON], pending which I yield myself such time as I may consume. During consideration of this resolution, all time yielded is for the purpose of debate only.

(Mr. DIAZ-BALART asked and was given permission to revise and extend his remarks, and to include extraneous material.)

Mr. DIAZ-BALART. Mr. Speaker, House Resolution 96 is a modified open rule providing for the consideration of H.R. 1022, the Risk Assessment and Cost-Benefit Act of 1995. The purpose of this legislation is to provide regulatory reform and to focus national economic resources on the greatest risks to human health, safety, and the environment through scientifically objective and unbiased risk assessments and through the consideration of costs and benefits in major rules.

In addition to the 1 hour of debate on this rule, the rule provides for 2 hours of general debate, with 1 hour equally divided between and controlled by the chairman and ranking minority member of the Commerce Committee, and 1 hour equally divided between and controlled by the chairman and ranking minority member of the Science Committee.

After general debate is completed, the bill will be considered for amendment under the 5-minute rule, for a period of time not to exceed 10 hours. I would like to emphasize that any Member will have the opportunity to offer an amendment of the bill under the 5-minute rule. I believe this is a fair process, in that, again, it will allow any Member with a suggestion for improvement of this legislation, to bring it up for consideration by the full House in the form of an amendment.

Finally, the rule provides for one motion to recommit, with or without instructions.

Mr. Speaker, House Resolution 96 brings to the floor H.R. 1022, a bill which is the product of intense negotiations to reconcile the differences between bills marked up and reported out by the Committee on Science and the Committee on Commerce. Both committees had jurisdiction over title III of H.R. 9, the Job Creation and Wage Enhancement Act, and I believe that this compromise legislation is a balanced and appropriate vehicle for floor consideration for purposes of amendment to achieve the goal of setting a comprehensive risk assessment policy for the Federal Government.

This legislation, the Risk Assessment and Cost-Benefit Act of 1995, consists of six major provisions. Title I deals with presenting the public, and Federal executive branch decisionmakers, with the most scientifically objective and unbiased information concerning the nature and magnitude of health, safety, and environmental risks in order to provide for sound regulatory decisions and public education. Title II requires Federal agencies to prepare information regarding costs and benefits for each major rule within a program designed to protect human health, safety, or the environment Title III establishes peer review requirements for rules that are likely to increase annual costs by $100 million and calls for the establishment of national peer-review panels to review agency practices concerning risk and cost assessments. Title IV sets up the applicable judicial review requirements. Title V requires each covered Federal agency to publish a plan concerning procedures for receiving and considering new information and revising risk assessments or rules where appropriate. And finally, title VI requires the President to issue biennial reports addressing risk reduction priorities among Federal regulatory programs designed to protect human health.

All too often, although well-intentioned, Federal regulatory costs are vastly out of proportion to the concerns that the regulations were meant to address.

Mr. Speaker, H.R. 1022 reforms the Federal regulatory process in a sound

and reasonable manner and will hopefully help us avoid some of the unintended consequences we have encountered in the past.

Mr. Speaker, I believe H.R. 1022 is a good bill, and I defer to the judgment of the chairmen of the committees that reported this bill, who have stated that 10 hours is ample time for the amendment process. If we work together in a spirit of cooperation and comity, and do not resort to dilatory tactics, we should be able to have a thoughtful amendment process to enable us to improve the bill from its current form, in necessary.

I strongly support the Risk Assessment and Cost-Benefit Act of 1995 and urge adoption of this open rule for its consideration.

□ 1430

Mr. Speaker, I reserve the balance of my time.

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

Mr. Speaker, we are opposed to this rule because it limits the amount of time allowed for considering amendments to the bill it makes in order, the Risk Assessment and Cost-Benefit Act of 1995. This is a very complex bill which many Members believe is seriously flawed, and the rule for its consideration ought to ensure that Members have an adequate amount of time to offer amendments which would improve it.

Mr. Speaker, we understand the desire of the majority to have H.R. 1022 considered in a timely manner. However, based on our experience during the last 2 weeks considering four bills which were also subject to a 10-hour limit on the amendment process, we can realistically expect that the actual amount of time spent debating amendments will be much less than 10 hours—somewhere between 6 and 8 hours.

During consideration of this rule in the Rules Committee on Friday, we offered an amendment to strike the 10-hour time limit on the amendment process, since it was our first preference not to have any limit at all. That amendment was rejected on a straight party-line vote.

We then offered an amendment to lengthen the time provided for the amendment process to 20 hours, the amount requested by the gentleman from Michigan, the ranking minority member of the Commerce Committee, Mr. DINGELL. If one-quarter to one-third of the time is likely to be consumed by voting, then actual time spent debating amendments would be between 12 and 16 hours. That amendment was also rejected on a party-line vote.

Finally, we offered an amendment to exclude time spent on recorded votes from the 10-hour limit. That change would have meant that there would actually be 10 hours in which to debate amendments, rather than 6 or 7 or 8. But that amendment, too, was rejected on a party-line vote.

As I said, the majority's desire to have a time limit on the offering of amendments is understandable, but their insistence on including in that limit the time it takes to hold recorded votes is not. Our request to exclude time spent on recorded votes was a very reasonable one which should have been accepted. Besides providing more opportunity to a greater number of Members to offer amendments, it would have made the arduous process of paring down and prioritizing amendments—which Members on both sides of the aisle are affected by—significantly less difficult.

Furthermore, if time spent on recorded votes is not excluded from the limit, sponsors of amendments are put in the uncomfortable position of having to choose between seeking a recorded vote, or foregoing that recorded vote in order to increase the likelihood that other Members will get a chance to offer their amendments. It is simply not fair to put Members in that position.

The argument that was made in the Rules Committee against excluding time spent voting from the 10-hour time limit was that such a change would encourage dilatory tactics—that opponents of the bill would call for recorded votes on every amendment. But, in fact, by not excluding voting time, a parliamentary tactic of another sort can be employed by the bill's proponents—and in fact, has been. Three times during consideration of amendments to the Regulatory Transition Act, Members who agreed with the outcome of the amendment on voice vote called for recorded votes in order to consume time alloted for considering amendments.

Partly as a result of that tactic, the amount of time spent actually debating amendments to the Regulatory Transition Act was only 6½ hours, and 15 Members who wanted to offer amendments were unable to do so.

Mr. Speaker, the time limit on the amendment process would not be quite so troubling to Members on our side of the aisle if it were not for the fact that the Risk Assessment and Cost-Benefit Act, like many of the other Contract With America bills, did not receive adequate consideration prior to floor consideration.

This is a bill which makes extremely far-reaching changes in the Federal regulatory process. Yet the Science Committee, which has principal jurisdiction over the bill, dispensed with subcommittee hearings and markup entirely, and held just 2 days of hearings at the full committee level.

The committee began markup of the bill 3 days after the hearings, before the committee had received many of the agency responses it had requested analyzing the impact of the bill and responding to questions asked by witnesses. And, the chairman of the committee presented extensive amendments changing the scope and application of the bill at markup, without giving other Members any time to prepare amendments in response.

The other committee of jurisdiction, Commerce, also dispensed with subcommittee hearings and markup, and held just 2 days of hearings at the full committee level. The committee began markup 5 days after the hearings, without giving minority members a copy of the markup vehicle until the day before they began amending the bill. That left members on that committee, as well, without sufficient opportunity to prepare amendments.

In addition, the bill that this rule makes in order is not the version of the legislation that either committee reported—it is a version that was introduced just last Thursday, which neither of the ranking minority members had adequate opportunity to review prior to testifying at our Rules Committee hearing on Friday.

The tragedy of this hasty and deficient committee process is that it contributed to the loss of an opportunity to bring to the floor a more reasonable and rational regulatory reform bill which would have had the support of virtually the entire membership.

We all agree that better use of risk assessment, cost-benefit analysis, and peer review could help make the regulatory process more rational, efficient, and cost-effective, and would result in regulations that are less expensive and less onerous to comply with. A great deal of work toward that end was done by the Science Committee in past Congresses under its former chairman, now the ranking minority member, the gentleman from California [Mr. BROWN].

However, the bill before us is an ill-considered piece of legislation that will have widespread unintended consequences and make legitimate regulation much more difficult. In its present form, it would: Set up a cumbersome and costly procedural maze which is likely to require more Federal employees and agency costs at a time we are trying to downsize the Federal bureaucracy—by imposing a whole new set of regulatory requirements on top of existing ones which are already too complex; invite massive amounts of new litigation; establish a nonscientific process of comparative-risk analysis; permit peer review panels to be dominated by scientists who have financial conflicts of interest; and impose an inflexible and unrealistic requirement that agencies certify that benefits outweigh costs before issuing final rules.

Particularly troubling is the fact that the bill's decision criteria for issuing rules would supercede such requirements in existing health, safety, and environmental laws. By applying these new requirements to such laws as the Clean Air and Clean Water Acts, this legislation threatens to overturn the important health protections citizens have under those laws.

Fortunately, in the course of consideration of this bill, we shall have the opportunity to change many of its most worrisome features. Several worthwhile amendments will be offered and, we hope, adopted. A complete substitute, offered by Mr. BROWN of California and Mr. BROWN of Ohio, would cure all of the bill's most serious problems, and we hope that Members from both sides of the aisle will give it their support.

Mr. Speaker, again, we oppose this rule because of the restriction it imposes on the amount of time allowed for the amendment process, and I urge Members to vote ''no'' on it.

Mr. Speaker, I reserve the balance of my time.

Mr. DIAZ-BALART. Mr. Speaker, I yield such time as he may consume to the gentleman from New York [Mr. SOLOMON], the distinguished chairman of the Committee on Rules.

Mr. SOLOMON. Mr. Speaker, I thank the gentleman from Florida [Mr. DIAZ-BALART] for yielding me this time, and I want to commend him for the great job he does as a new and a very valuable member of the Committee on Rules. He really is producing results.

Mr. Speaker, I rise today in support of another open rule from the Committee on Rules. I rise further to enthusiastically support this bill, the Risk Assessment and Cost Benefit Act of 1995.

This bill is the third in the Republican five-part series of bills to reform the Government's byzantine regulatory system. Later this week the House will take up H.R. 926, the Regulatory Reform and Relief Act. And then it will take up H.R. 925, the Private Property Protection Act, which I helped to write, and which I am so proud of.

Mr. Speaker, legislation like the measure before us today is exactly why you and I, Mr. Speaker, came to this Congress back in 1978.

In fact, the Clinton administration has substantially increased the number of wacky Federal regulations, and they have opposed our efforts over the last 2 weeks to reform the regulatory process.

Mr. Speaker, this bill requires risk assessment and cost-benefit analysis on regulations contemplated by Federal agencies. It is as simple as that. All too often Federal rules are promulgated with faulty science or, even worse, with political objectives in mind. This legislation sets forth the very scientific principles that must be adhered to in the conduct of the rulemaking process. In my upstate New York district, regulations that were developed with no regard to scientific evidence are threatening to close paper mills that employ thousands of people in the Glens Falls and other upstate regions. The EPA-proposed cluster rules, which set emission standards for the pulp and paper industry, could have been a much improved regulatory product had a cost-benefit analysis been conducted, but it was not.

Mr. Speaker, regulations to implement the Safe Drinking Water Act sound great, do they not? But in my district, they are yet another example of the regulatory chokehold the bureaucracy has on this Nation. Just listen to this: The cost to the small towns in my district is astronomical. The town of Keene, NY, with only 209 water users, has got to come up with a half-million dollars under the new regulation. The village of Lake Placid, with 2,485 users, $4.2 million. Where are they going to get the money from? And the village of Lake George, with only 933 users, $5 million. Boy, I just wonder where all this comes from. Mr. Speaker, this is outrageous, considering there has not been a waterborne disease in Lake Placid in over 50 years.

Mr. Speaker, unemployment in my area is twice the level of that of the State of New York, and my district cannot afford any more of these ill-conceived, ridiculous regulations. They have got to be stopped. The Republican Congress is about to turn the tables on the regulators in Washington.

For years business and industry have been forced to jump through hoops to satisfy regulators in the bureaucracy. Well, if this legislation becomes law, we are going to turn that around.

The executive branch in the future will be forced to jump through those same hoops, conducting commonsense studies before they can saddle business and industry and local governments with these kinds of ridiculous regulations.

The rule to provide for consideration of this dramatic reform pill is an open rule allowing for a 10-hour amendment process. This type of time capsule encourages Members to organize with their colleagues in advance and consult with their respective leaderships on which amendments should be offered inside the 10 hours.

The minority leader, the gentleman from Missouri [Mr. GEPHARDT], supports this kind of concept. He said so before our joint committee on reform task force. Such a time capsule allows for a fair and open amendment process within the time constraints made necessary by our ambitious agenda which was endorsed at the polls last November.

Mr. Speaker, I have said it before on this floor, but with each passing week, there is new evidence to support my assertion that a bipartisan coalition in this House is implementing the second Reagan Revolution. There have been large Democrat votes in this Congress in favor of such monumental reforms as the balanced budget amendment, the line-item veto, meaningful crime bills, and the regulatory moratorium bill just last week which passed the House by a vote of 276 to 146. A lot of good conservative Democrats voted for it on a bipartisan basis.

Mr. Speaker, I fully expect the same bipartisan group to come together and pass this piece of legislation. I urge support for the rule.

Mr. BEILENSON. Mr. Speaker, for purposes of debate only, I yield 3 minutes to the gentleman from Minnesota [Mr. PETERSON].

Mr. PETERSON of Minnesota. Mr. Speaker, last week the House passed H.R. 450, placing a temporary hold on Government regulations until commonsense risk assessment and cost-benefit analysis is passed and signed into law. As the ranking member on the subcommittee that drafted the regulatory moratorium legislation, I believe that our current regulatory process has become unworkable most of the time. The current process is too often made up of senseless rules and regulations that cost us time and money without producing a benefit.

Today we will consider and vote on H.R. 1022, a viable risk assessment bill which is the first step towards the lifting of the moratorium. H.R. 1022 is a commonsense approach to risk assessment that is essential to tangible and effective regulatory reform. Not only does H.R. 1022 make the regulatory process more reasonable by forcing Federal agencies to use sound science and practical common sense, but it also requires Government agencies to prioritize regulations, so that the most critical health and environmental risks are addressed first.

I speak for several of my Democrat colleagues who support this bill, and I can firmly say we support the rule and support H.R. 1022 in it's present form. If we were in charge of writing risk assessment legislation, I can say that we may have not drafted the bill exactly as it is, however, H.R. 1022 is a good start, and we do support this basic approach to risk assessment.

Some of my colleagues are arguing that enough time has not been given for adequate consideration of H.R. 1022. This is simply not the case. When we debated H.R. 450 last week, we had 1 hour less than has been given today for H.R. 1022. The time given last week for the regulatory moratorium was more than enough for thorough consideration. Furthermore, the truth of the matter is that those disputing the rule, will oppose this bill regardless of the amount of debate or with any amendments.

Again, last week the House passed a moratorium on Federal regulations as a first step to achieving commonsense regulatory reform. H.R. 1022 is the next critical step to more sensible and rational regulation. This bill lays the groundwork for what the American people have requisitioned Congress to do. The American people want the Federal Government out of their lives. I urge my colleagues to support the rule and vote for final passage of H.R. 1022 without amendments.

□ 1445

Mr. DIAZ-BALART. Mr. Speaker, I yield 4 minutes to the distinguished chairman of the Committee on Science, the gentleman from Pennsylvania [Mr. WALKER].

Mr. WALKER. I thank the gentleman for yielding this time to me.

Mr. Speaker, I rise in support of this rule to provide consideration of H.R. 1022, the Risk Assessment and Cost-Benefit Act of 1995.

This legislation is an important part of the regulatory reform package which the House began debating last week. Over 15 years ago, the first risk assessment bill was introduced in this House by our former colleague, Don Ritter. Since that time, Congress has held over 22 hearings on this subject. In this body, 10 of these hearings have been in the Committee on Science, 4 in the Committee on Commerce, 2 in the Committee on Government Reform and Oversight, and 2 in the Committee on Economic and Educational Opportunities.

Last year, the Committee on Science marked up and reported the Risk Assessment Improvement Act of 1994. Many of the provisions of title I of the bill we will debate today were contained in that act and were later added to the Environmental Technologies Act.

In fact, I have a chart here of where we were with the bill that was in the 103d Congress and where we are with the present bill.

You will see that the bills in many ways are very, very close. So, therefore, we are not talking about new subject matter, by any stretch of the imagination. The amendment which set forth the principles of risk assessment and risk characterization was passed by the House by a vote of 286 to 139. Because they were strong and meaningful guidelines, however, these principles were not enacted.

Today, after 15 years of debate and 15 years of study, it is time to act. In fact, I was amazed to hear all of the talk in the Committee on Rules the other day when testifying about the need to do this. The fact is something has gone terribly wrong in our regulatory structure, and we need to do something about it. And Member after Member, on both sides of the issue, came up and said we have to do something about it.

Well, the fact is we have gone 40 years. The regulatory system in this country has become a nightmare, and we have done nothing.

Now, when we attempt to do something, some members of the Committee on the Rules and others come to the House floor and suggest, ''We have got to do something, but now is not the time. The hearings that were held were too quick; we can't do it in 10 hours of debate.''

I am fascinated by the 10-hour debate argument because when I looked back, I found out on House Resolution 299 in the previous Congress, we were told at that point that 1 hour of general debate and 4 hours of amendment process was in fact—now, get this—it was an open rule.

According to a gentleman on the other side of the aisle, a member of the majority party at that time, he said that is an open rule. He said, ''After careful consideration the Committee on Rules granted this time limit request that is both fair and reasonable.''

Now imagine that. We come out here with 10 hours, and we are told somehow this is a horrible problem being visited upon the minority. The gentleman who made that statement in the last Congress was none other than Mr. BEILENSON, who is handling the bill before us at this time. He called that an open rule, 4 hours of debate, and he said it was fair and reasonable.

Now, the question is whether or not 2½ times that amount of time is even more fair and reasonable.

I think it is, particularly given the magnitude of the bill that we have before us.

What people have come to the conclusion across this country is that it is time to rationalize our regulatory process. Our constituents understand that risk is a part of everyday life. It is a phenomenon which had confronted mankind since the beginning. Most are willing to accept the fact of risk. It is time to use good science to ensure that the regulatory burden we impose on the American people provides them with the protection from real hazards, not the exaggerated risks of the zero-tolerance crowd.

Mr. Speaker, I support this resolution. It is time to get on with the debate, and I congratulate the gentleman from Florida [Mr. DIAZ-BALART] for bringing it forward.

Mr. BEILENSON. Mr. Speaker, for purposes of debate, I yield 5 minutes to the distinguished gentleman from Michigan [Mr. DINGELL], the ranking minority member on the Committee on Commerce.

(Mr. DINGELL asked and was given permission to revise and extend his remarks.)

Mr. DINGELL. I thank the gentleman for yielding this time to me.

Mr. Speaker, the claims of bipartisanship are extraordinary here. And they are completely unfounded. Mr. Speaker, there is a wonderful story I told my good friend, the gentleman from New York [Mr. SOLOMON], at the Committee on Rules about a stew which was abominable in taste and appearance. The customer said, ''This is horrible. I want to talk to the cook.'' The cook came out and he said, ''What kind of stew is it?'' The cook said, ''It is one-horse, one-rabbit stew.'' The guy said, ''that is remarkable. What is the recipe?'' He said, ''Very simple. Equal parts, one horse, one rabbit.''

That is the kind of bipartisanship you are seeing today.

Frankly, I would be ashamed to present this bill to the House of Representatives. The rule does little to rectify the abuses and the failures that have taken place procedurally with regard to the presentation of this legislation.

First of all, the inadequate hearings; second of all, inadequate notice; third of all, total inability for the people to understand what is in it.

Next, total misunderstanding on the part of my colleagues over here on the other side of the aisle as to what this legislation does or how it is going to work or what its impact is going to be.

This legislation drips unintended and unforeseen consequences. No one here knows or understands what are going to be the consequences of this legislation.

The process that we are embarked upon is bottomed on a careless, sloppy, slovenly, partisan and irresponsible legislative process. It is done in a way which has precluded intelligent participation on the part of all the Members.

I think the greatest complaint that the people of the United States are going to have with this particular piece of legislation when they have had a chance to observe what has happened is the fact that they have never been brought into the process.

The legislation we have before us was never the subject of hearings, there has been no open discussion amongst the Members. What has happened is that the chairmen of the two committees, the gentleman from Virginia [Mr. BLILEY] and the gentleman from Pennsylvania [Mr. WALKER], have had a series of meetings somewhere, where they have quietly, without attention or notice to any individual, come up with changes to the bill.

Now, ostensibly these changes would correct abuses which my colleagues found. But they never consulted with anybody about what the abuses were. And they never consulted with the members of the committee on both sides of the aisle as to what were the failures or the defects in this legislation.

Now, the art of Federal regulation is really a constitutional exercise. It is something which is required to meet both the requirements of statutes as set forth in the Administrative Procedures Act, which is actually a codification of the constitutional requirements of due process, and the provisions of the Constitution, which sets forth the right of every American to be heard in connection with the regulatory processes of this Government.

It is interesting to note that no consideration has been given as to whether the affected regulations are good or bad, whether they need to be adopted or whether they do not, whether there is, in fact, an emergency; whether, in fact, there is some urgent need for the legislation from the standpoint of consumers or environmentalists; or from the standpoint of the American business community.

The moratorium passed last week is going to preclude the adoption of many regulations which are desperately needed by American business. One of the interesting things it would probably do is preclude the sale of about $6.9 billion in licenses to the American telecommunications industry, something which is of great urgency to

them and upon which American competitiveness, not only in the field of the telecommunications but elsewhere, is heavily dependent. My colleagues over there have never paid appreciable heed to that and were probably vastly surprised on this point the other day when considering the same question.

Similarly, this legislation today has the potential for preventing the duck season from going forward in the fall. And to deal with other important matters of public business where American industry desperately needs relief from regulations now in place or where it needs regulations which would permit it to better compete around the world.

I would think that if we are to adopt a rule today, we ought at least not kid ourselves. We ought not tell ourselves, nor should we tell the American people, that this legislation has been heard, that its authors know what it does or that the Committee on Rules, in putting it on the floor, is honoring the practices and tradition which make for responsible and careful legislation that does not carry dangerous future surprises for the American people.

Mr. DIAZ-BELART. Mr. Speaker, I yield 3 minutes to the distinguished chairman of the Committee on Commerce, the gentleman from Virginia [Mr. BLILEY].

(Mr. BLILEY asked and was given permission to revise and extend his remarks.)

Mr. BLILEY. Mr. Speaker, I rise in support of the rule to accompany H.R. 1022, the Risk Assessment and Cost-Benefit Act of 1995.

I want to commend Chairman SOLOMON and the Rules Committee for bringing forward an open rule that will allow an honest and open debate of this part of our Contract With America.

Such open rules have not been the custom of the Rules Committee under Democratic leadership. In the 103d Congress, for example, the Rules Committee granted open rules less than half the time.

Let me point out some recent examples of the abuse that came from this practice. In the 103d Congress, proponents of risk assessment and cost-benefit legislation were denied a vote on the Thurman-Mica risk and cost-benefit amendment to the bill to elevate EPA to Cabinet-level status. The Rules Committee issued a restrictive rule, despite the fact that the Senate approved similar risk and cost-benefit amendments to EPA Cabinet legislation by a vote of 95 to 3. This restrictive rule was defeated by a vote of 227 to 191, and the EPA Cabinet legislation was never brought to the House floor.

With respect to Superfund in the 103d Congress, the Rules Committee received proposed amendments in early August of last year, but never issued a rule, and the Democrats never brought Superfund to the floor. One amendment of concern to the Rules Committee was a cost-benefit supermandate proposed by Representatives GEREN, CONDIT, SHUSTER, and MICA. That amendment stated: ''Notwithstanding any other provision of this Act, the incremental costs shall be reasonably related to the incremental benefits.'' The power of this commonsense amendment struck fear into the Federal bureaucracy and its allies in Congress. Rather than allow the will of the working majority to prevail, the Rules Committee decided not bring the Superfund legislation to the floor.

Today we bring legislation to place Federal regulatory programs on a more sound footing. The Risk Assessment and Cost-Benefit Act of 1995 requires objective and unbiased risk assessment and careful analysis of regulatory alternatives. This legislation is long overdue. We cannot continue the incredible expansion of the regulatory octopus into the business of State and local governments and the regulated community. Furthermore, we must restore credibility to the regulatory process.

Some oppose these changes in favor of the status quo. Under this open rule, we can debate amendments from either side. I urge my colleagues to support this rule to provide for consideration of important regulatory reforms, an important part of our Contract With America.

Mr. BEILENSON. Mr. Speaker, for purposes of debate only, I yield 5 minutes to the distinguished ranking member of the Committee on Rules, the gentleman from Massachusetts [Mr. MOAKLEY].

Mr. MOAKLEY. I thank the gentleman for yielding this time to me.

Mr. Speaker, today we are looking at another restrictive rule and this one prevents Democrats from offering amendments to another Republican attack on our country's health, safety, and environmental laws.

Mr. Speaker, my Republican colleagues promised a lot of open rules and they are not keeping their promise.

They said all of the contract items would be brought up under open rules. Mr. Speaker, only 5 out of 14 contract items have been brought up under open rules, the rest have been restrictive.

And Republicans promised that they would grant 70 percent open rules. But, so far, less than 30 percent of the rules and procedures they have brought up so far have been open.

I think my Republican colleagues are finding out that governing is a lot harder than it looks.

And today's bill is another example. As I said up in the Rules Committee, this bill creates an expensive, bureaucratic mess, and will only end up endangering American families.

And it is not cheap. CBO estimates that this bill will cost at least $250 million every year, or over 1.6 million school lunches. That's a lot of peanut butter sandwiches to waste.

Once again we are looking at a badly drafted, wide-ranging Republican bill that Members will not be able to amend because of the 7-hour time cap.

I say 7-hour time cap because Republican time caps include votes—so, 10 hours is really only 7 hours, and dozens of Members end up being shut out of the process.

□ 1500

Mr. Speaker, I am submitting under leave to include extraneous matter a list of Members who were precluded from speaking under this so-called open rule.

There have been 10 Members on the law enforcement block grants who were precluded from speaking under a so-called open rule, a rule just like this. There were eight Members who were precluded from speaking under the National Security Revitalization Act under a rule just like this. Fifteen Members were precluded from speaking on a regulatory moratorium.

Mr. Speaker, the material I am including is as follows:

Amount of Time Spent on Voting Under the Three Restrictive Time Cap Procedures in the 104th Congress

Bill No.	Bill title	Roll calls	Time spent	Time on amends
H.R. 667	Violent Criminal Incarceration Act.	8	2 hrs, 40 min	7 hrs, 20 min.
H.R. 728	Block grants.	7	2 hrs, 20 min	7 hrs. 40 min.
H.R. 7	National security revitatlization.	11	3 hrs, 40 min	6 hrs, 20 min.
H.R. 450	Regulatory moratorium.	13	3 hrs, 30 min	6 hrs, 30 min.

Members Shut out by the 10 hour Time Cap 104th Congress:

This is a list of Members who were not allowed to offer amendments to major legislation because the 10 hour time cap on amendments had expired. These amendments were also pre-printed in the CONGRESSIONAL RECORD. There may be other Members who did not pre-print their amendments but who were nonetheless shut out of the process because the cap time had expired.

H.R. 728—Law Enforcement Block Grants—10 Members.

Mr. Bereuter, Mr. Kasich, Ms. Jackson-Lee, Mr. Stupak, Mr. Serrano, Mr. Watt, Ms. Waters, Mr. Wise, Ms. Furse, Mr. Fields.

H.R. 7—National Security Revitalization Act—8 Members.

Ms. Lofgren, Mr. Bereuter, Mr. Bonior, Mr. Meehan, Mr. Sanders(2), Mr. Schiff, Ms. Schroeder, Ms. Waters.

H.R. 450—Regulatory Moratorium—15 Members.

Mr. Towns, Bentsen, Volkmer, Markey, Moran, Fields, Abercrombie, Richardson, Traficant, Mfume, Collins, Cooley, Hansen, Radanovich, Schiff.

Mr. Speaker, I urge my colleagues to oppose this rule. Members need a chance to fix this bill and protect American families from another risky waste of money.

Mr. SOLOMON. Mr. Speaker, would my very good friend please yield to me?

Mr. MOAKLEY. To my very good friend, yes, I will yield.

Mr. SOLOMON. Mr. Speaker, to my very good friend from Boston, let me say that I hope the weather is better in Boston than it is in New York. I just flew in in an awful storm, and I am still a little upset.

I was just reading the gentleman's remarks, and may I quote? It says here, ''Mr. Speaker, House Resolution 562 is an open rule. I urge its adoption.''

That was on the American Heritage Act on October 5, which gave us 1 hour of debate and only 3 hours on this huge complex bill.

I say to the gentleman one more time, you never had it so good. We are treating you twice as fairly as you treated us. Never in the history of this Congress has a minority been treated as fairly as we are treating you.

Mr. MOAKLEY. Mr. Speaker, I take back my time.

I say to the gentleman from New York [Mr. SOLOMON], you said that would never happen again. You said you were going to come forward with open rules so everybody could fully participate. I say to the gentleman, if you want to emulate our Congress, fine, but I thought you were coming in with a new broom, that you were going to sweep clean and give all open rules. This was going to be a new Congress. You said that, and Mr. GINGRICH said that.

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

Mr. MOAKLEY. I am glad to yield to the gentleman from Missouri.

Mr. VOLKMER. Mr. Speaker, what the gentleman is telling us is that even though the gentleman from New York, the day after we were sworn in, said we would have all these open rules, we are really not having them. These are not open rules. I say to the gentleman from Massachusetts, we do not have open rules at all, do we?

The SPEAKER pro tempore (Mr. BEREUTER). The time of the gentleman from Massachusetts [Mr. MOAKLEY] has expired.

Mr. BEILENSON. Mr. Speaker, I yield 1 additional minute to the gentleman from Massachusetts [Mr. MOAKLEY].

Mr. MOAKLEY. In fact, Mr. Speaker, in every one of the rules we granted, that 4-hour rule, we had time left over. So nobody was precluded.

Mr. SOLOMON. Mr. Speaker, if the gentleman will yield, I should hope so. We do not need to waste all those words.

Mr. VOLKMER. Mr. Speaker, if the gentleman will yield further, on the bill just last week, we had Members who could not offer amendments. We had Members on the crime bill that could not offer amendments.

What the gentleman is saying is this: They are saying that it is necessary to reduce the time that Members can speak in order to meet the 100 days, in order to get this legislation through, and the heck with individual Members and their ideas. They are saying they are not going to let them voice their ideas on separate bills. That is what they are saying.

Mr. MOAKLEY. Mr. Speaker, I say to the gentleman in the Chair that he knew personally about this. I say to the gentleman, you were frozen out. You had a preprinted amendment and you could not get your amendment on the floor under this so-called open rule. So I do have to convince you, but I think the other Members on the other side of the aisle should really take a look at what they are doing. The reason we have had so many closed rules is because the definition of closed rules was written by my very dear friend, the chairman of the Rules Committee, the gentleman from New York [Mr. SOLOMON].

Mr. DIAZ-BALART. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I know some antics can somehow get some very clear things confused. We are all trying to focus in on the words that were stated before when it was stated in the last session by our colleagues on the other side that we had 4 hours of debate without restricting what amendments could be introduced, and during those 4 hours it was all an open rule, and today we are permitting in addition to the 3 hours for the rule and the 2 hours for general debate, in other words, 1 plus 2 and 3 hours, we are permitting 10 hours for amendments, and now our colleagues are saying that that is not open.

I think either it is unclear or there is an element of unfairness.

Beyond that, at this point, Mr. Speaker, what I would like to do is yield 1 minute to a distinguished new Member of the House, the gentlewoman from California [Mrs. SEASTRAND], a member of the Committee on Science.

(Mrs. SEASTRAND asked and was given permission to revise and extend her remarks.)

Mrs. SEASTRAND. Mr. Speaker, I rise today in strong support of H.R. 1022, the Risk Assessment and Cost-Benefit Act.

For too long we have stood by and watched the regulatory monster engulf the small businessman and woman and the entrepreneur. In just 2 years, the Clinton administration has added 126,580 pages of regulations to the Federal Register. This is more than any other President since the last 2 years of the Carter administration.

Federal regulations cost our country hundreds of billions of dollars every year. For weeks now we have heard opponents of risk assessment argue that it will create additional bureaucracies and cost more money. I do not believe either is the case.

What bothers Federal agencies about this legislation is that it will slow down the promulgation of burdensome regulations and save money. Risk assessment legislation will dramatically reduce the overall costs to society. Why shouldn't Federal agencies be required to justify choosing a costly $150 million solution to a problem that could be solved by a $10 million solution with the same benefits?

Mr. Speaker, sound regulations are necessary to protect health, safety, and the environment. This legislation will ensure that regulations are in fact sound.

Mr. BEILENSON. Mr. Speaker, for the purposes of debate only, I yield 2 minutes to the gentleman from Pennsylvania [Mr. DOYLE].

Mr. DOYLE. Mr. Speaker, I rise today as a Member who has supported the regulatory reform embodied in H.R. 9. Clearly, the time has come for a thorough examination of our regulatory structure and the scientific methods we use to make judgments about protecting public health and safety. The use of consistent, state-of-the-art science is a long overdue remedy for the plague of unnecessary and burdensome Government regulation.

I am pleased that this issue is receiving the attention it deserves; however, I must express my dissatisfaction with the way in which the Congress has considered this legislation. In the Science Committee markup of this bill, members were not given the bill text until an hour after the markup was scheduled to start. Members were then given less than 2 hours to redraft their amendments to a bill that bore little resemblance to the original draft of title III of H.R. 9. We then spent the ensuing 10 hours marking up title III, at the same time that Commerce Committee was marking up the same title.

Now, I have to wonder why either committee bothered marking up the bill at all. The bill we are considering here today has dropped language that was reported by both committees and now contains totally new language that has not been reviewed by either committee. These are not small technical subsections we are talking about, Mr. Speaker, there are some of the most important elements of this legislation, such as the judicial review provisions, which have been redrafted at the last minute with no substantive review.

Among the new issues that concern me the most are the inclusion of permits in the scope of this bill's requirements. Most of these permits are State-issued. Are we now requiring the States to perform risk assessment and cost-benefit analysis on all their permitting? Mr. Speaker, that would seem to me to be an unfunded mandate. I would be more certain of this if we had had the opportunity to review this concern in committee, but since permits weren't mentioned in the bill we marked up, this issue remains unresolved.

I sincerely believe that is the goal of Members on both sides of the aisle to make true progress toward easing the control of a distant Washington bureaucracy. In order to accomplish this, many of us on this side joined with majority in passing important unfunded mandates legislation. Now, through either carelessness or hypocrisy, we may be imposing many new burdens on State and local government. This rule provides for a mere 10 hours consideration of new, highly technical language

that will impact every economic sector. This is no way to govern, I urge opposition to the rule.

Mr. DIAZ-BALART. Mr. Speaker, I yield 3 minutes to the distinguished gentleman from Ohio [Mr. OXLEY], chairman of a subcommittee of the Committee on Commerce.

(Mr. OXLEY asked and was given permission to revise and extend his remarks.)

Mr. OXLEY. Mr. Speaker, I rise in support of the rule to accompany H.R. 1022, the Risk Assessment and Cost-Benefit Act of 1995.

With the adoption of this rule, the House will take another important step toward implementing in the manner in which the Federal Government writes regulations to protect the public from certain health, safety, and environmental risks.

I remind my colleagues that we have been working on this legislation for several years. In the previous Congress, we had a number of hearings on risk assessment and cost-benefit reforms. In 1993, the Senate passed risk assessment and cost-benefit language in the form of the so-called Johnson amendment by 90 votes.

In early 1994, a bipartisan coalition of House Members defeated a restrictive rule that would not allow for consideration of similar amendments by a vote 227 to 191. Later in the year, the Walker amendment, which provided language requiring objective and unbiased risk assessments and comparisons, passed the House by a vote of 286 to 189.

The criticism of the rule before us today is ironic when I remember how Superfund legislation was handled in the previous Congress.

Last year, the Commerce Committee, with full administration support, passed a national risk protocol for Superfund and language requiring that the presentation of risk information be objective and unbiased. Those provisions created judicially reviewable and enforceable requirements.

Yet that legislation went nowhere, because the Rules Committee would not issue a rule for fear that risk and cost-benefit amendments would be approved on the House floor.

That is why I applaud the Rules Committee under Chairman SOLOMON's leadership for bringing forward this rule to allow open debate on risk assessment and cost-benefit legislation.

I acknowledge that some differences remain today among Members of the House. There are differences on the threshold for regulations that should be subject to this legislation; there are differences on whether the requirements of this legislation should be judicially reviewable; and there are differences on whether the requirements of this bill should apply to existing regulations.

The proposed rule provides sufficient time and opportunity to debate these differences and I urge my colleagues to support the rule.

□ 1515

Mr. BEILENSON. Mr. Speaker, for purposes of debate only, I yield 4 minutes to the distinguished gentleman from California [Mr. BROWN], the ranking member of the Committee on Science.

(Mr. BROWN of California asked and was given permission to revise and extend his remarks.)

Mr. BROWN of California. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I am ambivalent about this rule. I think we need considerably more time than is available to thoroughly debate this bill. On the other hand, it does not vary too much from previous bills and future bills that we are going to have.

My problem with the bill so far has been the procedures by which it was brought to the floor, which have been commented on with great eloquence by my friend, the gentleman from Michigan [Mr. DINGELL], and others. I think everyone would agree it is not legislative craftsmanship to present legislation to committees or to the floor which have not been adequately considered, to have only the briefest of hearings on legislation, and not have a full exploration of all of the implications.

My good friend, the gentleman from Pennsylvania [Mr. WALKER], compared this bill to the risk assessment bill that we had last year, pointing out that we only had 4 hours on that bill, whereas we are getting 10 hours here.

What needs to be said, and I hoped the gentleman from Pennsylvania [Mr. WALKER] would mention this, is that last year's bill was only one title of the six that are contained in this bill; that it related only to risk assessment for EPA. This includes many more aspects of regulatory control, including risk-assessment characterization, cost-benefit analysis, peer review, and a number of other things, and applies it to 12 different departments of the Government.

We have asked for reports from those departments as to the impact on them, and we have not received those reports. We need to explore what that impact is on these others, including the Nuclear Regulatory Commission and the Corps of Engineers. We do not have that information, and it needs to be discussed at great length.

We all agree that regulatory reform needs to be done. The gentleman from Pennsylvania [Mr. WALKER] pointed out that we have had 15 hearings on risk assessment, for example, 10 of them in the committee which he now chairs. I will say to you that I have been the author or coauthor of all of these bills, including the initial one the gentleman referred to brought by Mr. Ritter. I have tried to focus my best efforts on the issue of focusing the science of risk assessment.

Unfortunately, I failed. It is not because we did not try. We have gotten bills to the floor and passed. We have actually made good progress. There is no disagreement. The President has announced within the last week a comprehensive regulatory reform program which includes most of the things included in this bill.

What I fear, Mr. Speaker, is that in this particular bill we are asking for more than can be delivered from the existing state of the science of risk assessment and cost-benefit analysis. In doing so, we are going to add to the complexity, make regulation more difficult, make it more costly, and the old adage applies, ''Be careful what you ask for, you may get it.'' Because that is the situation we are in at the present time.

Most Democrats would like to support this bill if it were properly drafted. We do not think it is. We will have a substitute which we think includes all of the good parts of the bill, and leaves out those parts which will cause trouble in the future. I am going to urge all of my friends on both sides to support the substitute, to give it thorough consideration. I think they will find it is a bill that the Senate would pass and the President would sign. The present vehicle before us meets neither of these criteria, and it would, in fact, be a horror, a tremendous imposition upon the American business community which you would hear a great deal from your constituents about in the near term.

Mr. Speaker, my comments are directed less at this rule and more at the process which has brought us here today. For over 30 years, I have served in Congress and have been proud to have participated in a number of historic debates in this institution. I have both supported and opposed the status quo and joined and opposed Members of the other party, and my own party, in these efforts. But at the end of the day, win or lose, I have always felt some pride in the work that had taken place here.

Today, as we consider this legislation, I no longer feel that pride. In reviewing the progress of this bill, I do not feel that the public interest is being served, in either the content or the course of this bill. From the start of this bill's consideration in committee through today's action on the floor, I have felt as though adherence to an arbitrary schedule and the need to punch tickets to mark legislation's progress makes this place more like a railroad than the greatest deliberative body in the world. And, believe me, I have been railroaded by the best of both parties over the years as I have taken principled but unpopular positions.

But what specific problems do I have with this process? First, subcommittee hearings and markups were dispensed with. Initially, the chairman proposed a single day of full committee hearings, to be composed of a single panel of witnesses sympathetic to the bill. Administration requests to testify were rejected until we were forced to ask for a second day of hearings, as provided by the House rules, to ensure a more balanced hearing process.

Then, the redraft of title III of H.R. 9, the precursor of H.R. 1022, was written behind closed doors and without any input from Democratic Members. At full committee, this redraft was presented as a chairman's en bloc

amendment the evening before the full committee markup. Our staff had received a set of the chairman's proposed amendments labeled ''draft'' the night before the markup, but we did not get the final version until the day of the markup. Then, in markup when Members protested this process, the chairman decided to change his series of en bloc amendments into an entire substitute. The markup was suspended for 2 hours while we read the substitute, tried to understand its implications, and then drafted amendments to it. A request for a 1-day postponement of the markup was refused by the chairman, on the grounds that the bill was scheduled for consideration on the House floor the following week. This was not the case.

After both the Science Committee and Commerce Committee acted on February 9 to meet this hurried schedule, we waited while the two committee texts were merged. We waited for 2 weeks, until February 23, when the new text was introduced as H.R. 1022. The new text was changed substantially from the reported bills and we have spent the weekend trying to understand again what the impact of this legislation is. Now it is on the floor, while many of our colleagues are not even here, apparently hurried up again to meet some arbitrary deadline.

I would remind my colleagues that the legislation we are discussing is not some simple commemorative bill. H.R. 1022 proposes to fundamentally change the direction of the Federal regulatory system, in ways that even the authors of the bill cannot understand. Last week we considered and passed a temporary regulatory moratorium. This bill will, in effect, become permanent regulatory moratorium, by virtue of its complexity, ambiguity, and cost.

This bill adds hundreds of millions of dollars in costs to the Federal Government—the Congressional Budget Office's limited estimate is $250 million—imposes unfunded mandates of the same order of magnitude on State regulatory permitting agencies, and imposes mandates on industry to produce the scientific data to feed the process created in this bill. Yet, we have no clear idea what the scope of these costs is. We are only told that the costs must be absorbed by the regulatory agencies, already underfunded for their current work load. A simpler, more effective bill could improve regulations. This bill will do the opposite.

There are a host of other questions raised, but not answered by H.R. 1022. For example, the bill has been rewritten from its original form to include many special exemptions and carve-outs for specific industries. What are the impact of those changes? We do not know.

The bill overrides unspecified provisions of existing law. The final list of which laws and which provisions have been overridden is unknown. Even Members of the other side have stated that the committee is unable to identify which provisions of existing law would be affected, much less knowing in what fashion. A partial list of affected statutes includes the Endangered Species Act, the Federal Insecticide, Fungicide and Rodenticide Act [FIFRA], the Federal Food, Drug, and Cosmetic Act, the Clean Air Act, the Resource Conservation and Recovery Act [RCRA]: in short most of the environmental laws of the country. Does the bill pick up other statutes such as the Americans with Disabilities Act? We simply do not know.

I could go on, but we will be hearing more about the specifics of this bill during the debate. I just want to make the point that this is a very complicated and serious bill we are discussing and we do not understand its impact. Worse yet, the leadership on the other side, judging by their actions, is not even interested in taking the time to explore the impacts. Their main interest is in meeting their 100-day schedule for their contract.

So as with other bills in recent weeks that have moved without full disclosure, we must again take to the floor to try to explore the effects of this complex bill during the course of the amendment process. Yet even this process is narrowed by an arbitrary limit on debate designed to make the legislative trains run on time. So, I will object to this process, make the best use of the time we have, try to fix some of the worst parts of this bill, and hope that the public forgives us since we know not what we do.

Mr. DIAZ-BALART. Mr. Speaker, I yield 2 minutes to the gentleman from Florida [Mr. BILIRAKIS], the distinguished chairman of the Subcommittee on Health and Environment.

(Mr. BILIRAKIS asked and was given permission to revise and extend his remarks.)

Mr. BILIRAKIS. Mr. Speaker, I thank the gentleman for yielding time to me.

Mr. Speaker, I rise in support of the rule. H.R. 1022 is an important piece of legislation, and I know many Members have a strong interest in it. That is why the Commerce Committee and the Science Committee requested an open rule—to give Members the opportunity to offer amendments to this legislation on the Floor of the House. The rule before us was crafted to provide time for thorough discussion of these issues.

Some of my colleagues argue that we are proceeding too swiftly. However, I believe that the regulatory horror stories which we have all heard suggest that Congress has waited far too long to establish accountability in Federal regulatory programs.

Mr. Speaker, the issues addressed in this legislation are not new. My colleague and friend Mr. MOORHEAD of California introduced risk assessment legislation in the last Congress, legislation that now forms the basis for title I of H.R. 1022. A hearing was held on that bill in the Commerce Committee in 1993, and similar provisions were included in environmental legislation which was approved by the committee in the 103d Congress.

The risk assessment bills passed by the Commerce and Science Committees have been available for nearly 3 weeks. As soon as the differences between the two bills were reconciled last week, the compromise language was made available to all Members. In large part, the compromise language merely reflects the provisions already approved and made public in the separate committee versions.

I hope that we will be able to pass this bill sometime tomorrow with broad bipartisan support. We did pick up some support from our friends on the other side of the aisle during the Commerce Committee markup, and it is my impression that there are a number of others who would like to support the bill. Hopefully, the compromises we reached with the Science Committee will help to bring more of my democratic colleagues on board.

We have moved quickly through the legislative process this year, but we have worked to ensure that the bill has been open to full review. I urge my colleagues to join me in supporting this open rule.

Mr. BEILENSON. Mr. Speaker, for purposes of debate only, I yield the final 3 minutes to the gentleman from New York [Mr. MANTON].

(Mr. MANTON asked and was given permission to revise and extend his remarks.)

Mr. MANTON. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, I rise in opposition to the rule.

Mr. Speaker, the legislation before us today is a misguided answer to a serious problem. In an attempt to curb excess Government regulations, H.R. 1022 would threaten the public's health and safety, encourage court challenges to new regulations and cost at least $250 million according to the Congressional Budget Office.

I regret that risk assessment is being considered by this body as part of the Contract With America because I wholeheartedly agree that our Government's regulatory process should be redesigned and streamlined. I believe consumers, producers, and State and local governments would benefit from legislation designed to curb exhaustive review by the executive agencies, thereby bringing products to the market faster and enabling swifter action for protecting public health and safety.

Unfortunately, H.R. 1022 achieves none of these goals.

Rather than streamlining Government, this bill would add yet another layer of burdensome bureaucracy. By requiring agencies to complete copious and scientifically meaningless risk assessment and cost benefit analyses, I believe this bill would delay regulatory action instead of reforming the process.

If the House leadership had allowed the committees of jurisdiction to complete subcommittee markup of the legislation and work to fashion a bipartisan bill, I honestly believe we could have crafted risk assessment legislation which lessened the load on American business without risking the health and safety of the public.

Unfortunately, the rigors of the artificial 100-day schedule did not allow the Commerce or Science Committees to meaningfully address the issue. I look forward to the day when the concepts of governing and legislating rather than political partisanship again become the focus of this institution.

There is compelling evidence that this bill has not been adequately considered. The bill changed throughout

the House Commerce Committee's consideration of the bill mostly to address unintended consequences of the original measure. For example, the bill as introduced, would have resulted in long delays for FDA approval of new lifesaving prescription drugs. Furthermore, this legislation applies to agencies not covered by the version of the bill approved by the Commerce Committee, including the Nuclear Regulatory Commission.

In order to address the concerns of regulated industries, the majority counsel revised whole sections of the bill just hours before committee markup.

While it is not unusual for the legislative process to uncover drafting problems as a bill moves through the House, the speed with which this bill has moved means that there is a high probability that many problems with this bill have not yet been found.

The minority will offer a series of amendments today and tomorrow to address the most obvious shortcomings of this bill, however, the fact that we are voting on a bill today which was not drafted until last Thursday means that none of my colleagues can be sure exactly what the impact of this bill will be.

I want to caution my colleagues that they should carefully assess the risks of voting to pass this rule and H.R. 1022.

Mr. DIAZ-BALART. Mr. Speaker, I yield 2 minutes to the gentleman from California [Mr. MOORHEAD], the distinguished vice chairman of the full Committee on Commerce.

(Mr. MOORHEAD asked and was given permission to revise and extend his remarks.)

Mr. MOORHEAD. Mr. Speaker, I support the rule for this bill.

When I introduced H.R. 2910 in 1993, legislation that formed the basis for title I of H.R. 1022, my aim was only to provide a sensible, open framework for the Government to analyze and address risks. Our former colleagues, Al Swift, took an interest in the issue and held a hearing on the bill.

The legislation we will have before us today and tomorrow addresses a number of issues, but I am pleased that its foremost requirements are the ones from my bill that tell agencies to look at risks objectively and present scientific findings in an unbiased manner. Objectivity is not a controversial idea; we should expect no less in our Government's presentation of science.

The Rules Committee has provided plenty of time for debating all the issues surrounding this bill. We have been debating them for several years already. I encourage my colleagues to vote for the rule to bring this important legislation to the floor.

Mr. BEILENSON. Mr. Speaker, I yield the remaining 1 minute to the gentleman from Massachusetts [Mr. MOAKLEY].

(Mr. MOAKLEY asked and was given permission to revise and extend his remarks.)

Mr. MOAKLEY. Mr. Speaker, from the other side we hear claims that we had a bill with a cap on it with 4 hours, and this has a 10-hour cap. But the bill that we had the cap on for 4 hours had one title; this has four titles. The bill that we had a cap on of 4 hours left nobody, nobody without being able to put his or her amendment in. Their caps have caused over 40 people to be left not able to put their amendments forward. So it is not exactly the same situation, not exactly the same bill.

But, more than that, the promise was made to the American people that the 103d Congress' action in the Committee on Rules would never be repeated; that they will come out with open rules. That is all I am asking for. I am not saying we were worse or better. They just violated their statement. They said they would be coming out with open rules, and they have not done it.

PARLIAMENTARY INQUIRY

Mr. MOAKLEY. Mr. Speaker, I have a parliamentary inquiry.

The SPEAKER pro tempore (Mr. BEREUTER). The gentleman will state it.

Mr. MOAKLEY. Mr. Speaker, the rules make in order consideration of H.R. 1022. The committees of jurisdiction, however, reported out H.R. 9 with amendments. My question is, has the committee reported on H.R. 1022?

The SPEAKER pro tempore. The Chair would state that that bill was not reported from committee.

Mr. MOAKLEY. So the bill that was heard before the Committee on Rules is not on the floor today? This is a bill that was not heard by the Committee on Rules?

The SPEAKER pro tempore. The Chair is informed that the Committee on Rules held a hearing on H.R. 1022.

Mr. MOAKLEY. But reported out H.R. 9.

The SPEAKER pro tempore. No, the Committee on Rules reported out a special order on H.R. 1022.

Mr. MOAKLEY. Continuing my parliamentary inquiry, is it not true that with regard to the Budget Act and the reporting requirements in clause 2 of rule XI, the points of order prohibiting consideration of a measure, these requirements apply only to reported measures?

The SPEAKER pro tempore. The gentleman is correct.

Mr. MOAKLEY. In other words, Mr. Speaker, the Budget Act point of order that would apply if H.R. 9 was reported does not apply to H.R. 1022, is that true?

The SPEAKER pro tempore. The Chair will not speculate on points of order against other measures.

Mr. MOAKLEY. In other words, Mr. Speaker, the rule could have made in order H.R. 9 with the text of H.R. 1022 as the original bill for purpose of amendment, and the Committee on Rules often reports bills like that. That would have required waiving points of order.

Instead, in this instance the Committee on Rules opted to discharge the Committee on Science, the Committee on Energy and Commerce, and the Committee on Government Reform, and instead the Committee on Rules decided to make in order a bill that no one reported, and in that way they avoided waiving all points of order. Am I correct?

The SPEAKER pro tempore. The Chair would indicate that is a rhetorical question, and not a parliamentary inquiry.

□ 1530

Mr. DIAZ-BALART. Mr. Speaker, I yield myself such time as I may consume.

The SPEAKER pro tempore [Mr. BEREUTER]. The gentleman from Florida [Mr. DIAZ-BALART] has 4½ minutes remaining.

Mr. DIAZ-BALART. Mr. Speaker, in the interest of Members who may have amendments that they would like to proffer, the Committee on Rules would suggest that any Members that would wish to engage in colloquies for the purpose of making legislative history should consider doing so during general debate. That way the time taken for such colloquies, of course, would not be counted against the time on the amendment process, the 10 hours of the amendment process.

Mr. Speaker, this is an open rule. There is no Member of this House who may have a suggestion to improve this legislation who would like to bring it forth in the form of an amendment who is precluded from doing so under this rule. It is a completely open rule. There is a 10-hour time limit after the 2 hours of general debate for the bringing forth of amendments, but no one is precluded, as I have stated, from bringing forth any amendments.

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

Mr. DIAZ-BALART. I yield to the gentleman from Massachusetts.

Mr. MOAKLEY. Mr. Speaker, the gentleman had four similar rules that had caps on them. The Members whose amendments were preprinted in the RECORD so they would be sure of having their amendment heard were not heard. How can the gentleman give any Members today, make a statement, stand and say that their amendments absolutely would be heard?

Mr. DIAZ-BALART. Mr. Speaker, what we are saying is, to the distinguished gentleman from Massachusetts, is that we have 2 hours now for general debate, after which there is 10 hours for Members who have amendments to bring them forth. There is preclusion. They do not have to have printed them anywhere in order to bring them forth. If there are no dilatory tactics, if Members who have serious amendments wish to bring them forward during the next 2 days, 10 hours of debate, they can do so.

Mr. Speaker, I yield the balance of my time to the gentleman from New York [Mr. SOLOMON], the distinguished chairman of the Committee on Rules.

Mr. SOLOMON. Mr. Speaker, let me say that first of all, the contract items are concepts. They are subject to refinement. That is what we are doing here today.

I had a call in my office last Friday from a woman. She said to me, what is all the whining about? Why do you not get down to business and do the people's work?

That is exactly what we are doing here. That is why the approval rating of this Congress has gone from 18 percent up to over 50 percent, because are getting it done.

Second, the gentleman from Missouri [Mr. GEPHARDT] wants us to go upstairs. He wants us Republicans to pick your Democrat amendments to make in order on this floor. We are not going to do that. We are not going to take you off the hook. If you have amendments to offer on your side of the aisle, you select the items. You lay out the time for debate on them, and you bring them to this floor. Do not try to put the blame on us. We are recognizing your conservative Democrats. They have been gagged for 40 years by your leadership. No longer. They can act.

They can work their will on the floor of this House.

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

Mr. SOLOMON. I yield to the gentleman from Massachusetts.

Mr. MOAKLEY. Mr. Speaker, if it is a free and open debate and everybody can act, how come all these Members got shut out in the last four rules that had caps on them.

Mr. SOLOMON. Mr. Speaker, reclaiming my time, with due diligence they would have all been recognized in proper order. They should go see their respective leaderships on both sides of the aisle. That is what this Member does, and he gets his amendments in order on the floor.

Mr. MOAKLEY. Mr. Speaker, it is not true, when you talk about dilatory tactics, there were amendments up there that passed on rollcalls with zero votes against or one vote against that were called by your side and those matters took 20 to 25 minutes out of these 10 hours? So where are the dilatory tactics coming from?

Mr. SOLOMON. Mr. Speaker, my friend is getting at a vote on an amendment, which is not a dilatory tactic. That is representing 600,000 people back in our districts. That is what we were sent here to do.

Mr. MOAKLEY. Even though there are no votes against it?

Mr. SOLOMON. Mr. Speaker, the gentleman is sounding sort of like what the woman called me about. Let us get down to the people's business.

Mr. MOAKLEY. Mr. Speaker, last year I got a call from a lady and she said, ''What is all that whining about by Mr. SOLOMON and all those people from the Rules Committee?''

Mr. SOLOMON. Mr. Speaker, she must have found out, because she voted Republican and so did most of the people throughout the country.

Mr. DIAZ-BALART. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

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

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

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

The SPEAKER pro tempore. Pursuant to clause 5 of rule I, the Chair postpones further proceedings on the question of adoption of the resolution until later today, but not before 5 p.m.

The point of no quorum is considered withdrawn.

The SPEAKER pro tempore. Pursuant to House Resolution 96, rule XXIII, and the order of the House of Friday, February 24, 1995, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 1022.

□ 1535

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 1022) to provide regulatory reform and to focus national economic resources on the greatest risks to human health, safety, and the environment through scientifically objective and unbiased risk assessments and through the consideration of costs and benefits in major rules, and for other purposes with Mr. HASTINGS of Washington in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Pursuant to the rule, the bill is considered as having been read the first time.

Under the rule, the gentleman from Virginia [Mr. BLILEY] will be recognized for 30 minutes, the gentleman from Michigan [Mr. DINGELL] will be recognized for 30 minutes, the gentleman from Pennsylvania [Mr. WALKER] will be recognized for 30 minutes, and the gentleman from California [Mr. BROWN] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Pennsylvania [Mr. WALKER].

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

Mr. Chairman, today the Committee on Science and the Committee on Commerce are bringing forth for consideration the Risk Assessment and Cost-Benefit Act of 1995. It is the hope of its sponsors that by its enactment the bill will usher in a new era of rationality in the imposition of regulations implementing safeguards for human health, safety and the environment.

This bill will require the use of sound science and sound economic principles to determine if there is a national basis for imposing new and costly regulations on the American people. It will, for the first time, establish a consistent basis by which disparate laws can be measured and integrated. It will, for the first time, communicate to decision makers and the public the nature and magnitude of risks they face in an objective and unbiased way.

Title I of the bill requires that when a Government agency undertakes a risk assessment it fully discuss the methods which were used by the agency to determine the extent of the risk. The bill would require the agency to identify any policy or value judgments, as well as the empirical data that went into the assumptions underlying the risk assessment. Once the risk is identified the legislation would require an agency to characterize the risk in such a manner so as to identify what is the best estimate for the specific population or natural resource which has been characterized. This means that we will know what is the most likely, plausible level of risk, in many cases, for the first time, and not just the most unrealistic worst case scenario.

Further, the legislation requires that an agency provide the public with comparisons of risks that are routinely and familiarly encountered in everyday life. What is more dangerous—driving a car? What is less dangerous—being struck by lighting? What is equally hazardous—drinking a glass of orange juice every day? It turns out so much of what we regulate or ban fits this kind of scenario. This bill will be truly eye-opening. Thanks to a compilation of ideas of SHERRY BOEHLERT, CONNIE MORELLA, VERN EHLERS, and TIM ROEMER, the bill requires ongoing research and training in risk assessment so that the science of risk assessment is not frozen in place. Title I also mandates a study of comparative risk, a provision offered by Science Committee Member TIM ROEMER.

Title II of the bill provides for an analysis of risk reduction costs and benefits. The legislation requires agencies, when undertaking such an analysis, to consider alternative regulatory strategies which would require no government action, accommodate differences among geographic regions, and employ performance or other market-based mechanisms that permit the greatest flexibility in achieving the identified benefits of the rule. Title II would further require that before an agency can issue a regulation, it must show that:

First, the analysis used to issue the rule are based on objective and unbiased scientific and economic evaluations;

Second, the incremental cost reduction or other regulatory benefit will be

likely to justify, and be reasonably related to, the costs incurred by governments and private entities; and

Third, that the strategy employed is more cost-effective or flexible than the alternatives considered.

Furthermore, title II states that if the criteria of that title conflict with existing law the new criteria shall supersede that law, I emphasize, only to the extent that such criteria are in conflict. This title gives further guidance to the agencies and OMB to report back to the Congress in order to identify these conflicts.

Title III will require that risk assessments and cost-benefit analyses shall have the benefit of a peer review process when the proposed rule is expected to result in an annual increase in costs of $100 million or more.

Title IV of the bill will provide for judicial review under the Administrative Procedure Act and the statute currently granting an agency authority to act. This will provide the critical enforcement mechanism to assure bureaucracy compliance with the requirements of this act.

Title V will require each covered federal agency to establish procedures to review any previously published risk assessment or risk characterization document, based on the criteria in title I, if such criteria or new scientific information received at the agency would be likely to alter results of the prior risk assessment of risk characterization. The agency could further revise or repeal a regulation supported by that modified risk assessment.

Finally, title VI will allow agencies to better set priorities to allow agencies to concentrate precious resources to target major risks, instead of minor or nonexistent risks.

I want to make a few observations about the bill as a whole. First, its provisions are measured. It exempts from its purview emergencies, military readiness, product labeling, and State compliance programs or plans. Risk assessment criteria are not mandated for screening analysis; health, safety, or environmental inspections; or the sale or lease of Federal resources or regulatory activities that directly result in the collection of Federal receipts. The bill's aim is targeted at major assessments and major rules, thus a $25 million increase in cost threshold is established for titles I and II, the proactive sections of the bill. And, many of the requirements of the bill are mandated under the condition of feasibility. ''To the extent feasible'' as used in the text of H.R. 1022 means doing everything possible to meet a requirement given the constraints of time, money, and ability.

The opponents of this bill will tell you that this legislation is overly prescriptive. They say that it imposes too much of an administrative burden on the Government. To this we reply that it is about time that the body worries more about the burden on the public, and less about the burden on the bureaucracy.

The opponents of this bill will tell you that this bill will freeze in place the science for doing risk assessments. We reply that this bill will do no such thing, but it will require that sound, unbiased and evolving science be used to formulate regulations.

The opponents of this bill will tell you that this bill will not allow the Government to regulate health, safety, and the environment. We reply that there is nothing in this bill that would prevent justified regulations from being promulgated, as long as they are based on scientific fact and the costs don't exceed the benefits.

The opponents of this bill will tell you that this legislation was rushed to judgment. We reply that the committees of jurisdiction have been studying risk assessment for over 15 years. It is time to act. In fact, we reported a very similar bill out of committee last year with only one major addition.

If Members take a look at the chart, they will see that last year's bill included the best estimates. It included comparative risk. It included substitution risk. Yet the cost-benefit analysis and rules were not included in last year's bill. Peer review was included for the purpose of guidelines, and judicial review was included.

In other words, what we did last year was very, very similar to what is in the bill that we have before us today.

This is nothing new. It is nothing coming out of the blue. It is interesting to note though what happened last year. When the committee decided in its wisdom to have a stronger provision for the risk analysis than what the committee and the committee chairman wanted, we reported this bill that then never came to the floor.

□ 1545

The ultimate closed rule was applied. We never considered the legislation on the floor. It was simply held because the committee had wanted to go further than what the leadership of the committee had determined to do.

Therefore, what we have before us, finally, is a bill that we can actually act on. It is about time. The American people think it is about time. It is the kind of bill that the American people have been looking for.

If this bill is not passed, we will continue to have situations where Federal regulators have run amuck. For example, EPA has required billions of dollars to be spent to remove asbestos from schools, when the lifetime risk that a child, exposed for 5 years to commonly occurring levels of asbestos fiber, will contract a fatal asbestos-linked cancer is 1 in 2.5 million. By contrast, that same child has 1 chance in 5,800 of dying from a motor vehicle accident.

Consider, for a moment, the opportunity cost of that this extravagant waste of funds has engendered. All across this land school boards are claiming they do not have the resources to educate our children, yet local communities have been required to spend money to address a very limited risk.

The money spent could have been used to improve the quality of education, which would have made a real, not an imaginary, difference in a child's life. Rules such as these have no basis in common sense. The irony is that the removal of the asbestos has actually created a greater risk by releasing more fibers into the air than would have been present by leaving it dormant—a substitution risk that could have been identified if that rulemaking had been done under this bill.

Although the bill before us is not the entire solution, it does provide a prospective basis to begin a degree of rationality in our regulatory system.

The opponents of this measure would continue the status quo, but as this Congress is a departure from the past, so is this legislation. I ask my colleagues to join me today in supporting a sensible new framework for regulatory analysis.

The regulatory process we want to bring about is a smart and sensible regulatory process, rather than a dumb and dumber regulatory process. Right now we have a dumb and dumber regulatory process that brings about very bad results in too many instances. This will allow us to become smart and sensible. That is the way we should regulate.

Mr. Chairman, I reserve the balance of my time.

Mr. BROWN of California. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I have indicated earlier that I think the time is ripe for regulatory reform, and for improvements in our risk assessment and cost-benefit analysis. I know that the Members on that side feel very strongly about this, and I can assure them that the Members on this side feel equally strongly that something needs to be done.

The problem, as I see it, Mr. Chairman, is that in our haste to get something done, we may create a problem that is greater than the one which we seek to cure. This is the purpose of this debate, is to explore that aspect, not whether or not we need to improve regulatory reform, we know we do, but whether or not this bill and its contents represents an improvement, or whether it causes problems.

Frankly, the reason that on our side we feel we need more time is because this is the only way we can educate Members on both sides to what both the benefits and problems of this bill are. It is the only way we can educate the public, to the degree that they pay any attention to what we are doing here.

Hopefully the media will pick up the message, and hopefully it will get to our colleagues on the other side, and ultimately, to the President, so he can

determine whether we have acted to correct the major deficiencies or whether they still remain in the bill.

Therefore, it is not just because we want to hear our voice in support of some amendment. It is because we are part of a much broader process which is important to the American people, and we want to use this time as well as possible.

Mr. Chairman, I am in opposition to H.R. 1022 in its present language. The press releases that accompanied the unveiling of the bill, the Job Creation and Wage Enhancement Act, formerly H.R. 9, promised a simplification of regulation, an elimination of redtape, a fair and open governmental process in which everyone could participate, and a downsizing of Government. Somewhere between the issuance of that press release and today's debate, something went terribly wrong.

H.R. 1022 is an ''Alice in Wonderland'' version of those original goals, goals which, as I have already stated, are shared on a bipartisan basis, I might add. H.R. 1022 establishes a more convoluted process, adds to the expense of regulation by many hundreds of millions of dollars, has unintended consequences that even the Republicans admit they cannot determine, favors big business over small business, has had dozens of special interest loopholes added behind closed doors, and sets up a judicial quagmire that has trial lawyers dancing in the street in anticipation of the legal actions needed to straighten the bill out. I will detail these claims in just a moment.

The sad part of today's debate is that none of this was necessary. Members on both sides of the aisle want true regulatory reform. Previous Republican administrations worked diligently to improve the regulatory process.

I have already indicated that I joined with former congressmen, Republican Congressmen to introduce these bills many years ago, and have continued to work diligently to improve the legislative framework. We struggled with similar legislation last year and came very close.

The Clinton White House issued Executive Order 12866, which seeks to reform the way the Government conducts its regulatory business. The Vice President's Reinventing Government work is starting to move this process along, as well. Democrats and Republicans were prepared to work together on this issue and fashion a bipartisan approach to regulatory reform, but the bill before us today cannot be called bipartisan, any more than it can be called true regulatory reforms.

The bill slows down and complicates the regulatory process. The bill describes the detailed steps required to be taken in the course of a regulatory decision, using so much detail that it ties the regulatory agency in knots. This process adds hundreds of millions of dollars in cost to the Federal Government. To that, we must add the cost imposed on the private sector and State governments.

The CBO cost estimate is only an inkling, because it admits it does not have adequate information, but it says a quarter of a billion of dollars, without even counting the impact on many agencies which they could not get figures from, or the impact of tieups as a result of litigation.

Since the process described in H.R. 1022 requires more scientific and economic data to be provided, this reform process will require industry to conduct innumerable studies at great cost to the private sector. In addition, since permits are included under H.R. 1022, and since State governments issue many of the permits under Federal regulatory law, such as the Clean Water Act, State governments will have the provisions of H.R. 1022 imposed upon them. What the cost will be of doing full-blown risk assessment for State permitting decisions is anyone's guess.

I should add that since H.R. 1022 sets up such a complicated process, it will take more resources just to keep track of the process, let alone participate by generating the data required.

What is the differential effect on business in this situation? Big business and trade associations inside the beltway have the money and staff to keep up. Individual smaller businesses outside of Washington are going to have a tough time in this new process.

I do not know if the changes made to the provisions of this bill were designed by big business, trying to squeeze their smaller competitors, or by trade associations, trying to drum up business. Perhaps neither of these occurred. However, the end result is the same: a more complicated regulatory process takes more money to participate in.

Small businesses do not have much money to spare. That is why they started this regulatory revolution. H.R. 1022 inadvertently penalizes them, and I think we can expect a repercussion from small business as great as their original campaign to reduce the pervasiveness of Federal regulation.

H.R. 1022 overrides existing law and applies to ongoing process in ways that even the supporters of the bill cannot detail. Which statutes are being superseded? What regulatory processes are being affected? I note that even many of my Republican colleagues are concerned with these questions, and expressed their concern in supplemental views in the report to accompany H.R. 9, from which I quote, and this is the Republican Supplemental Views:

> The committee was unable to identify which provisions would be affected, much less in what fashion * * *. (T)itle III may undermine landmark laws that were enacted only after years of work and discussion to create a delicate balance of interested and affected parties—laws that range from protection of food and drinking water quality to aviation safety, hazardous waste management, and preservation of wildlife. (Supplemental Views, Report No. 103–33, Part 2.)

After all of this talk of comprehensive reform, starting with the original press releases on the Contract, I would point out to my colleagues that this reform does not apply to all regulations. We have ''reformed'' the process for Government to challenge a potentially harmful product, drug, pesticide, or chemical, and take it off the market, or restrict its use. However, the process of getting these products on the market has been exempted from these ''reforms.'' This is like announcing a program to improve highway safety, and then make it tougher to revoke a suspected offender's driver's license.

Mr. Chairman, let me shorten my remarks somewhat and come to a conclusion. I look forward to an opportunity to improve this seriously flawed bill, and will be offering a substitute, along with my colleague, the gentleman from Ohio, Mr. SHERROD BROWN. In addition, individual amendments will be offered to correct some of the problems I have mentioned.

I hope that those who share my feelings on H.R. 1022 as currently written will join with me in an effort to improve the bill.

Mr. Chairman, I reserve the balance of my time.

Mr. BLILEY. Mr. Chairman, I yield myself 5 minutes.

(Mr. BLILEY asked and was given permission to revise and extend his remarks.)

Mr. BLILEY. Mr. Chairman, I rise in strong support of H.R. 1022, the Risk Assessment and Cost-Benefit Act of 1995. This legislation is long overdue.

On January 1, 1970, the National Environmental Policy Act took effect. NEPA declares that it is the policy of the United States ''to create and maintain conditions under which man and nature can exist in productive harmony, and fulfill the social, economic, and other requirements of present and future generations.''

Unfortunatly, somewhere along the line, we've lost sight of this important balance between economic and environmental concerns. And as a result, we have more and more Federal regulations that impose enormous costs for minimal, even hypothetical, benefits in public health.

A series of articles published in the New York Times in 1992 pointed out this problem. In one of those articles, the author wrote:

> In the last 15 years, environmental policy has too often evolved largely in reaction to popular panics, not in response to sound scientific analysis of which environmental hazards present the greatest risks. As a result * * * billions of dollars are wasted each year in battling problems that are no longer considered especially dangerous, leaving little money for others that cause far more harm.

An EPA-appointed panel of experts apparently agrees. In a March 1992 report entitled ''Safeguarding the Future,'' these experts cast serious doubt on the quality of science used by the

Agency to justify its regulatory programs. Even many agency personnel perceived that EPA science was ''adjusted to fit policy.''

We tried several times in the previous Congress to make improvements in the way Federal regulations are written, but each time we were rebuffed. In November, the American people sent us a message, loud and clear: Tame this regulatory beast. Our constituents demand that we break the Federal Government's stranglehold on job creation and get the Federal Government out of decisions that are best left to individuals, State and local governments.

H.R. 1022, the Risk Assessment and Cost-Benefit Act of 1995, contains commonsense propositions. Title I seeks to ensure that risk assessments and risk communication are open, objective, and sufficiently informative to serve the needs of decisionmakers, the regulated community, and the public.

Title II seeks to ensure that major rules that would increase costs by $25 million are the subject of careful analysis and reasonable decision criteria.

Title III sets out a consistent system of peer review for regulations that would increase annual costs over $100 million. Title IV makes clear that the act is enforceable in court against Federal agencies. Title V provides that there be procedures and priorities for the review of risk assessments and rules. Finally, title VI requires the President to report on opportunities to set regulatory priorities among Federal regulatory programs.

These provisions are responsible management tools. Some say weaker legislation is all that we should do for now. I disagree. We cannot afford to do less than this bill requires. Some say risk legislation should not be subject to judicial review. I disagree. Risk legislation must be enforceable; there should be no double standard where the Federal Government is not subject to review by courts, but State and local governments and businesses are.

Some say we should not disturb existing law, even when that law results in regulations that are expensive and inefficient. I disagree. For a number of years we have been adding layers of regulations. It is time to take a fresh look at the process we use to regulate risks to public health and the environment.

We will see in this debate who clings to the status quo of bureaucracy gone awry, and who is really interested in meaningful regulatory reform. I urge my colleagues to support the Risk Assessment and Cost-Benefit Act of 1995.

□ 1600

Mr. Chairman, I reserve the balance of my time.

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

(Mr. DINGELL asked and was given permission to revise and extend his remarks.)

Mr. DINGELL. Mr. Chairman, everyone in this Chamber wants protective health, safety, and environmental standards issued by the United States Government agencies to be done on the basis of good science and good regulatory practice. That is not the issue. Indeed the question of how these matters are dealt with in the regulatory agencies has long been a special concern of mine because of lack of fairness, because of bad science, and because of other defects in the process.

However, it must be noted that the behavior of the regulatory agencies—EPA and the other agencies which are engaged now in seeking to protect the health and the welfare of the American people, and agencies that are seeking to protect the economy of this country, to see to it that our securities markets and our other financial activities are conducted well and safely and in conformance with Federal law—are indeed not only important but are responses, in almost every instance to requirements imposed on those agencies by the Congress.

Washington is not full of crazy, runamok bureaucrats running around seeking to penalize honest Americans and to create economic hardships or other hardships for the American people. That is quite an unfair and untrue image.

It must be observed that what is going on here is that the agencies downtown are responding to a set of highly complex laws written by the Congress of the United States. In the case of environmental laws, they are responding to legislation which is not only enormously complex but enormously controversial, regulations which were written in response to clear mandates from this Congress which require particular actions to be taken.

One of the remarkable things about this is that several of the Governors who were denouncing the clean air bill that we passed a few Congresses ago for its not being strong enough, such as the Governor of California and the Governor of Wisconsin, who still hold those offices—although the Governor now of California was at that time a distinguished senior Senator from his State—were demanding that we pass not the laws that we passed but legislation which was indeed much stronger and much more punitive in character, something which I resisted with considerable vigor.

It is fair to say the use of risk assessment, cost-benefit analysis and peer review will be helpful. These are important analytical tools, and they will help the agencies to do their job better, limit burdens on private industry, reduce Government regulatory activity and Government waste, and see to it that our legislation is properly handled.

The Government does not need and should not tolerate excessive industry regulation, nor should it excuse sloppy or biased regulatory programs, whether they are biased toward the environmental groups or toward business groups.

I feel, however, very firm and very strong in the belief that environmental health and safety laws which the Congress has adopted after careful consideration are on the books for good reasons. Admittedly these are complex pieces of legislation. They are because they have to be, because the subject matter is complex. And to unwisely impose now a whole new spectrum of additional requirements and mandates, equally complex, upon an already complex system of laws and regulations is simply to compound the difficulties that this Nation confronts.

Business will find it harder, environmental groups will find it more difficult, and the laws and the regulations will be more complex. They will take more time, and the lawyers will have a better time and make more money simply because we have compounded a situation which is now overly complex and made it still more so.

How was it that this got to be so complex? It got to be so complex because this Congress wrote that legislation, and because the agencies are now seeking to carry out the laws which were written by this body.

The health and safety and environmental laws written by the Congress are almost always done on a bipartisan basis as the votes on the House floor indicate. The clean air bill was passed by something like 403 to 5. In the frenzy to complete the Contract on America within 100 days, we have taken out a contract on the history of good legislation and upon the body of good statutory law, and indeed upon the processes of this institution.

As if the Congress now is not going to be satisfied with a flawed process for passing this legislation, H.R. 1022 is literally a contract on the health and the safety of the American people, and on the environment that we will be leaving to our grandchildren.

According to every responsible prediction and estimate, H.R. 1022 will create more paperwork, not less, and increase the number of Federal employees who must be involved in the decision-making and the litigation questions. It will also take more time, and it will add to the miseries and the costs of business as business seeks to live with Government regulation.

The Congressional Budget Office estimates that this bill will cost the Federal Treasury at least a quarter of a billion dollars more every year, and CBO has not yet completed accounting for the costs. Preliminary estimates from the executive branch indicate that more than 1,500 new bureaucrats would have to be hired to carry out the extensive and prescriptive requirements of H.R. 1022 in administering now a much more complex regulatory process.

My Republican colleagues are increasing the size of Government with this bill, at the same time that President Clinton is making a real effort

and real progress in streamlining and downsizing government.

My comment to the American people would be: If you like increased bureaucracy, bigger Government, more work for lawyers, more delay, and more costs to American taxpayers, then H.R. 1022 is the bill for you.

Republican and Democratic Presidents have alike proposed and Congress has enacted specific laws establishing protective standards for identifiable threats to human health, human safety and the environment. These statutes cover a wide range of concerns: protecting women from breast cancer, protecting children from unsafe toys, regulating emissions of toxic air pollutants, ensuring airline safety, providing for the safety of workers in the workplace, and providing for clean water, clean rivers, and safe food. Each was passed for a real and important group of reasons based on particular circumstances posed by clearly identifiable threats.

H.R. 1022 cosponsors now want to override these carefully crafted protective standards of existing law with a uniform set of decision-making criteria, one-size-fits-all criteria, which by the way are different in many respects than the criteria in the bills reported by either of the two committees.

It is interesting to note that no hearings were held on the matter that we are now considering on the floor. The bills that were considered in the committees are different than that which is now before us. Proposals which were in the bills of both committees have vanished in some strange process that can only be explained by my colleagues on the majority side. And proposals which were in neither have all of a sudden appeared to raise new questions about the legislative history and what it is that the Congress is doing here today.

Do we know what laws are going to be impacted by the legislation before us? No. No one can tell us that. We do know some. I had asked the cosponsors of the bill to provide a comprehensive list when the Committee on Commerce marked up this bill. They said, ''Of course. We will be delighted to do so.'' But that list is not yet before us.

In addition to changing the protective standards of existing law, H.R. 1022 will cause significant delays in issuing regulations important to industry, either to provide regulatory relief or relief from existing burdens. This bill is going to slow down the giving of relief to industry on matters which are important to industry, which will make the United States more competitive, and which will reduce costs to American industry.

Ironically, most of the regulations my Republican friends complain of were issued by Republican administrations, like the asbestos regulations raised earlier by the gentleman from Pennsylvania [Mr. WALKER].

□ 1610

Important health and safety protections for the public like these will also be delayed. I would like to now address some of these regulations, since my colleagues on the Republican side were never able to tell us what would be the consequences of being caught in this Rube Goldberg construction which they are now inflicting upon the American people, leading to multiplied gridlock and diminishing the agencies of government and the rights of the American people and American business.

In 1992 the Congress established the Nation's first nuclear waste disposal facility in New Mexico called the Waste Isolation Pilot Plant or WIPP, which will receive nuclear waste material currently being stored at more risky storage facilities around the country. WIPP cannot open until EPA promulgates regulations setting forth operating standards to protect the public health. The Department of Energy indicates that these will be significantly delayed under H.R. 1022.

New Federal Aviation Administration rules to enhance safety standards for commuter airlines in the wake of recent tragic air crashes were to be issued on a fast-track basis by December 1995. According to FAA, these new safety enhancements will be delayed for some indefinite period by the requirements of H.R. 1022.

EPA is now contemplating and working on deregulatory action under the Toxic Substances Control Act pursuant to a rule adopted in December 1994 which would save the economy better than $2 to $4 billion in control costs for PCBs. The proposed changes will reduce disposal costs and provide additional flexibility to industry. They will add to our competitiveness and reduce the burdens on American industry. They will be delayed by this legislation.

The Nuclear Regulatory Commission last year proposed a rule to update seismic standards for any new nuclear reactors built in the United States. In its proposal, the NRC noted that reviewing seismic safety rules for nuclear power plants is particularly timely because of the possible renewed interest in nuclear reactor siting for a new generation of nuclear reactors. The certification and other prescriptive requirements of H.R. 1022 would delay those safety regulations and create a situation where industry will not be able to move forward on important safety regulations which will benefit not only consumers and environmental groups, but also American industry.

The Department of Housing and Urban Development estimated lead-based paint regulations being promulgated to address risks from childhood lead poisoning in Government-owned and Government-assisted housing would be delayed by 2 to 3 years.

The National Highway Traffic Safety Administration has proposed regulations pursuant to a requirement of law enacted by this Congress to provide improved protection against head impacts in the interior of cars and light duty trucks. The estimates of the agency is that, for each year of delay, 1,000 lives will be lost and 600 injuries will occur.

Mr. Chairman, there are literally thousands of other examples of delay of important health and safety standards that will come to light as this legislation moves forward. And the delay of deregulatory actions which could result from the passage of H.R. 1022 will be substantial and costly to the American economy.

The unknown and unintended consequences caused by the hurried consideration of this legislation will emerge for Members in embarrassing and unwanted ways in weeks and months ahead.

I urge my colleagues to oppose the bill. I urge them to support the substitute which will be offered, and I urge them to adopt the narrower amendments which will be offered to eliminate wrongful, mischievous and evil consequences of different parts of this legislation.

Mr. Chairman, I reserve the balance of my time.

Mr. WALKER. Mr. Chairman, I yield 3 minutes to the gentleman from New York [Mr. BOEHLERT].

(Mr. BOEHLERT asked and was given permission to revise and extend his remarks.)

Mr. BOEHLERT. Mr. Chairman, the person who deserves the ''I don't get it'' award for 1994 is the one who recommended to the President that he buy Dave McCollough's Truman biography and give it to key operatives to read in preparation for the 1996 campaign against what they perceive will be a do nothing Congress. This will not be the do nothing Congress. This will very much be a do something Congress.

The challenge is to do something that is responsive to the problems, and there is no doubt about it, in this area we have a lot of problems. Overregulations, and excessively costly regulations are two of the big ones and we have to be responsible in addressing them.

I would suggest that Terry Davis, who is the director of the Resource for the Future Center for Risk Management capsulizes it nicely when he said in a recent article in the winter of 1995 issue of his publication, ''If the varied interests with a stake in environmental policy can reduce the ideological and partisan coalition that has characterized the risk debate so far, and if they can accept both the uses and limitations of risk assessment, the risk debate could lead to a new era of more effective, efficient, and equitable environmental program.''

I would submit to all of my colleagues that is something, that is an idea we can all embrace.

I serve on one of the committees of jurisdiction, the Committee on Science, and I think the committee did a pretty good job under the leadership

of Chairman WALKER, but I submitted, along with a couple of my colleagues, some supplemental views to our committee report. And among other things we say we agree with the majority on the need to address risk assessment, and cost-benefit analysis. However, we do have some severe reservations about title III of the Job Creation and Wage Enhancement Act.

Under existing law, final agency rules and orders are judicially reviewable under the Administrative Procedures Act. Without clarification in title III of the Job Creation and Wage Enhancement Act, courts may hold that risk assessment guidelines themselves are reviewable, which is sure to lead to excessive litigation. We believe that risk assessment guidelines should not be reviewable.

Additionally, we believe that compliance with title III requirements should be reviewable only in the context of a challenge to a final agency rule or order. Without such a provision, this legislation may exacerbate existing litigations problems and stifle efforts to resolve conflicts within a Federal agency.

Title III requires Federal agencies to conduct resource intensive formal risk assessments and cost-benefit analysis. To me, that is the trial lawyers employment act of 1995.

I will submit the balance of my statement for the RECORD because it is worthy of note.

Mr. BROWN of California. Mr. Chairman, I yield 3 minutes to the gentleman from Ohio [Mr. TRAFICANT].

(Mr. TRAFICANT asked and was given permission to revise and extend his remarks.)

Mr. TRAFICANT. Mr. Chairman, this is a matter that was discussed at quite a length at the committee level. It deals with section 106 that refers specifically to recommendations or classifications by a non-United States-based entity.

One of the things we have done around here in the Congress of the United States that has caused an awful lot of overregulation is because Congress has been basically nebulous and vague on the directives that it places in its legislation.

Non-United States-based entities, and the bill says if it becomes Federal law that ''no covered Federal agency shall automatically incorporate or adopt any recommendation or classification made by a non-United States-based entity concerning the health effects value of a substance without an opportunity for notice and comment,'' without an opportunity for notice and comment. I think this bill begs for a definition of a non-United States-based entity. It does not in fact redefine or reinvent the wheel by any chance, but I will be offering an amendment to this bill.

The Traficant amendment says for purposes of this section, the term ''non-United States-based entities'' means an entity that is No. 1, incorporated outside the United States, No. 2, has its principal place of business outside the United States, or No. 3, is the United Nations or any of its divisions.

The reason why I say this is because the World Health Organization could say that a certain substance is a carcinogen or not a carcinogen and under this bill if they are not determined to be a non-United States-based entity, that would automatically be without notice and comment given. The Traficant amendment would say that any organization outside non-United States-based entity as defined by this decent perimeter would enforce in fact the language of the bill as it is designed and intended to do. I am hoping for the support on this. This was sort of a modified version in the committee that was met with basic approval and I think it should be in the bill, not in report language, and it should be specific since the bill speaks to non-United States-based entities.

I ask for support on this amendment.

Mr. BLILEY. Mr. chairman, I yield 5 minutes to the gentleman from Florida [Mr. BILIRAKIS], chairman of the Subcommittee on Health and the Environment.

(Mr. BILIRAKIS asked and was given permission to revise and extend his remarks.)

Mr. BILIRAKIS. Mr. Chairman, in September, 1993, the Clinton administration issued its National Performance Review, which stated that private sector costs from Federal regulations were ''at least $430 billion per year—9 percent of our gross domestic product.'' Others put the total annual costs to the private sector and State and local governments at between $500 and $850 billion per year. To put this in perspective, this is more than the total amount of discretionary domestic spending by the Federal Government each year.

As if this weren't enough, the U.S. EPA estimates that it will impose 93 regulations on society during the next year, each of which will cost between $25 and $100 million per year. The Department of Agriculture estimates that it will add 200 regulations annually with costs in that range. And the Food and Drug Administration says it will add another 25 regulations per year with costs between $25 and $100 million. That's an additional 318 regulations for just these three agencies over the next year, with an added cost to society every year of $8 to $32 billion.

H.R. 1022 is sensible legislation that, among other things, will help us ensure that whatever amount society spends on regulation is justified by the amount of benefits from those regulations. We are committing a huge proportion of our economic resources to health, safety, and environmental regulation. That is the way it should be. It should be beyond debate that we need to make sure we are getting real benefits for all that we are investing.

Cost-benefit analysis is only one part of H.R. 1022. The other major part is a series of requirements that will ensure that when an agency determines how much benefit society is receiving in the form of reduced health, safety, or environmental risks, it uses objective science and presents its findings in an unbiased, open manner. Lest we hear today, and we are hearing today, from opponents of the bill that these provisions are designed to weaken health and safety standards, let me assure you that this is not the case. We are not striving for some particular policy outcome. We are trying to make sure that when we make regulatory decisions based on risk assessments that we are basing our decisions on science and not on policy preferences.

Unfortunately, that has not always been the practice in the past.

I am going to go into some what I consider examples of regulatory overkill.

The cost of EPA's hazardous waste listing for wood preserving chemicals is $5.7 trillion per theoretical life saved or cancer incidence avoided. The cost of EPA's municipal solid waste landfill standards is $19.1 billion per theoretical life saved or cancer incidence avoided. Clearly, I think everyone would agree with me, these costs are excessive, given the risk involved.

The Safe Drinking Water Act currently limits arsenic levels in drinking water to no more than two to three parts per billion. However, a regular portion of shrimp typically served in a restaurant contains around 30 parts per billion

We all remember the Alar scare of 1989. As a result of the Alar scare, the damage to the apple industry nationwide—from growers and processors to retailers—totaled hundreds of millions of dollars. Even growers who did not use Alar on their apples were devastated.

However, scientific studies showed that Alar was not carcinogenic in either rats or mice. But UDMH—a breakdown product of Alar—when consumed in massive doses—equivalent to a human consuming 19,000 quarts of apple juice daily over a lifetime—did cause some blood vessel tumors in mice.

In 1991, the OSHA regional office in Chicago issued a citation to a brickmaker for failing to supply a Material Safety Data Sheet [MSDS] with each pallet of bricks. OSHA reasoned that a brick could be poisonous, because when sawed, it can release a small amount of the mineral silica. The fact that this did not happen much at construction sites was of no consequence.

Brickmakers, fearing lawsuits, began sending the form so that workers would know how to identify a brick—a ''hard ceramic body with no odor''—and giving its boiling point—''above 3,500 degrees Fahrenheit''. In 1994, after 3 years of litigation, OSHA finally

backed down and removed the poison designation.

Mr. Chairman, for those reasons we think that this legislation is so necessary.

At the joint hearings on title III of H.R. 9, a number of witnesses highlighted examples of the need for risk assessment and cost-benefit analysis:

Ohio EPA Director Donald Schregardus testified that of the 52 synthetic organic chemical pesticides for which U.S. EPA requires testing, only 9 were used in the State of Ohio in quantities that might be detected. The State and local communities were forced to spend thousands of dollars and significant time proving to U.S. EPA that those pesticides were not a problem, instead of using resources to solve real drinking water concerns.

Ms. Barbara Wheeler of the National School Boards Association emphasized that inaccurate risk assessment on asbestos has diverted billions of dollars from schools. The formulation of public policy on the asbestos issue was ahead of the scientific evidence to establish an accurate risk assessment; the result was that millions of scarce educational dollars were wasted. EPA's science ignored the variations in risk from different types of asbestos and focused on tests involving brown asbestos—the most hazardous type. However, the asbestos found in most schools was white asbestos, which is much less hazardous.

The Occupational Safety and Health Administration requires warnings that crystalline silica—one of the most commonly occurring elements in rocks and sand—is a carcinogen. In California—a state famous as a beach-lover's paradise—bags of sand used to fill children's sandboxes are labeled with a warning that sand is known to cause cancer.

The labeling of silica as a carcinogen was the result of a study on rats which were exposed to 100 times or more the amount of silica that workers in even the dustiest of conditions would be exposed to. However, similar studies on mice and hamsters failed to produce carcinogenic results.

OSHA's Hazard Communication standard—a ''right to know'' regulation—requires employers to post Material Safety Data Sheets [MSDS] explaining chemicals used in the workplace. MSDS violations account for more citations than any other OSHA rule. Unfortunately, these sheets are often difficult to understand or border on the absurd.

For example, the suggested remedy for exposure to charcoal dust is ''seek air,'' and for exposure to sawdust: ''flush with water.'' One construction company was cited by OSHA for failing to provide a Material Safety Data Sheet for Joy dishwashing liquid.

During our hearings in February, Dr. John Graham from the Harvard Center for Risk Analysis said that the most urgent need for health, safety, and environmental regulations is ''a statutory requirement that Federal agencies report realistic estimates of risk based on the best available science.''

Dr. Lester Lave of Carnegie Mellon University said ''Congress should instruct regulatory agencies to use the best scientific knowledge, not ''conservative'' decision rules. Agencies should explore all plausible alternative scientific theories and explain why they chose a particular theory.'' That is what we have done in this bill. Objective science presented in an open manner will help us and the agencies make better decisions, and it will also help the public understand what kind of risks it is facing.

I urge my colleagues to support this legislation. It is a reasonable, common sense initiative that will help ensure that we provide appropriate protection for the public.

Mr. DINGELL. Mr. Chairman, I yield 5 minutes to the gentleman from Massachusetts [Mr. MARKEY].

Mr. MARKEY. Mr. Chairman, I thank the gentleman from Michigan for yielding me this time and I rise in opposition to the legislation that is before us today. It is a Frankenstein monster of ill-conceived and excessive provisions grafted together from bits and pieces of the Science Committee and Commerce Committee reported versions of the so-called Job Creation and Wage Enhancement Act of 1995.

Unfortunately, the only people whose jobs are going to be enhanced and created and whose wages are going to go up will be the attorneys of the United States who will be litigating under this legislation for the next decade, countless billable hours, filing lawsuits to challenge virtually every action taken by Federal regulators and legions of bureaucrats needed to generate the mountains of paperwork necessary to comply with the complex substantive and procedural requirements of the act.

I am particularly concerned because it could transfer scientific peer review panels into special interest pleadings. This legislation allows, believe it or not, the lobbyists and the scientists of the industries being regulated to sit on the scientific peer review panels that are going to judge whether or not the regulations should be put on the books to protect the public health and safety and environment. It is absolutely a built-in conflict of interest that will result not only in bad laws being put on the books, but endless litigation as people challenge the rules that are finally put on the books.

In addition, it would construct a legislative labyrinth of procedures which would have to be engaged in. We would have no reason to close down House Annex 2. Just like the final scene of Raiders of the Lost Ark, we could need to fill it with all of the regulations, all of the procedures that had to be gone through in order to ensure that the regulators of the lost ark had been tied into knots and made absolutely powerless by the Lilliputians of bureaucrats and peer reviewers who will block any meaningful health, safety or environmental regulations from being placed upon the books.

□ 1630

And finally, all of this is subject to judicial review, thousands of lawyers crossing fingers back in their law firms right now, praying that this bill goes through.

We have billable hours of such a gargantuan number that it is almost unimaginable.

This is a bill which is a dream for lawyers across this country.

And finally, the safety of our Nation's nuclear powerplants, of the nuclear waste sites, protecting children against unsafe toys, preservation of our natural environment, clean food, clear water. Is our water too clean? Is our food too safe? Are the airlines too safe against any disasters befalling the American people?

And finally, before we avoid making policy on the basis of false or misleading, anecdotal information, for example, over the last several days we heard one of the proponents of this legislation claim that the Consumer Product Safety Commission had a regulation requiring all buckets have a hole in the bottom of them so water can flow through and avoid the danger of someone falling face down into the bucket and drowning. Sounds bad. Now, that would be ridiculous regulation, if it existed. But the truth is that there has never been such a rule, and there never will be such a rule.

The fact is that nearly 30 infants, toddlers, each year have been drowning in 5-gallon buckets, and the Consumer Product Safety Commission has worked with the industry to come up with a program of voluntary labels warning parents about the drowning danger. Voluntary.

This is an example of the public-private sector cooperation which is prevalent through many areas of the regulatory world.

I urge my colleagues throughout this debate, first make such that lobbyists and scientists of the companies being regulated cannot serve on the peer review panels; second, ensure that there is no reduction, no reduction in the overall health, safety, and environmental protections that are offered to all Americans; and, ensure that at the end of the day that we have not turned back the clock of progress which we have made in extending the life expectancy of all Americans, which is what has happened over the last 30 and 40 years in this country. Let us not tie the hands of those who have been committed to health and safety so that the private interests, the special interests, can go back to an era where those products that endangered the public were made available without any warning, without any protection against danger.

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

Mr. Chairman, we had at least 1 person stand up and defend the present regulatory system. I did not think we were going to have that.

Mr. Chairman, I yield 1 minute to the gentleman from Arizona [Mr. SALMON].

(Mr. SALMON asked and was given permission to revise and extend his remarks.)

Mr. SALMON. Mr. Chairman, I do not think it is too unreasonable to require the Federal Government to operate based on good science, and I do not think it is unreasonable to expect that

the Federal Government should do a cost-benefit analysis before rules are promulgated.

Let me tell you a little bit of a horror story as a State legislator I had to deal with in the State of Arizona. We came under fire of the Federal Government because of the 1990 Clean Air Act, and basically we were told not only what the outcome should be of our plan to avert destruction by the Federal Government, but also what the modality should be. In fact, it was dictated to us that we must institute the IM–240 program, which is about three to four times more costly than the existing vehicle emissions testing and takes about four to five times as long, those that have to wait in line for the tests. Could you imagine all the smog and pollutants that are put into the atmosphere while they are waiting an extra hour in line with their cars running?

Finally, I would just like to say we have an opportunity to turn all of these, this madness around, and I hope we get a chance to do that.

Look before we leap.

Mr. BROWN of California. Mr. Chairman, I yield 3 minutes to the gentlewoman from Michigan [Ms. RIVERS].

(Ms. RIVERS asked and was given permission to revise and enlarge her remarks.)

Ms. RIVERS. Mr. Chairman, several years ago when New York City was experiencing one of its garbage strikes, there was a young fellow who was getting very, very upset with the garbage that was piling up in his apartment. He did not know what to do, so one day he put it into a box, wrapped the box with gift wrapping paper, put it in the back seat of his car, and waited for someone to steal it. It worked.

Well, Mr. Chair, I would say to you that that is exactly what we have here. We have some garbage wrapped in pretty paper.

Now, I know that people will say that since I am speaking against the bill I am really against any change in how we regulate business and industry in this country. Not true. As a freshman who ran on reform and as the child of small business people, I want very much to see our regulatory climate improved in this country, but as someone with a degree in biological anthropology and a law school graduate, I also believe in science and logic, and neither of those things are to be found in this bill.

It increases costs. It overrides existing laws around health, safety, and the environment. It creates a labyrinth of procedures, and so encourages litigation that its only possible outcome must be a desire to have paralysis by analysis.

It purports to require good science, but when you look at the bill, we see that it mandates participation, or allows, forces participation for people who have an income interest in the outcome of the deliberation. It sets up vague standards.

When I talked to the scientists in my district, the University of Michigan is in my area, I asked them what they thought about the bill. It is interesting. One professor pointed out that while the word ''cost'' is used over and over and over again, and defined in several ways, the word ''benefit'' is never defined. It is never talked about. And his last comments in this area are interesting; he says, ''These admissions by themselves are a dead giveaway about the intent of this bill.''

And so I say to you, Mr. Chair, that, yes, there is pretty packaging, but underneath of it, 1022 is still garbage.

Mr. BLILEY. Mr. Chairman, I yield 3 minutes to the gentlewoman from Florida [Mrs. THURMAN].

Mr. WALKER. Mr. Chairman, I yield 1 minute to the gentlewoman from Florida [Mrs. THURMAN].

(Mrs. THURMAN asked and was given permission to revise and extend her remarks.)

The CHAIRMAN. The gentlewoman from Florida is recognized for 4 minutes.

Mrs. THURMAN. I want to thank the gentleman from Virginia very much for yielding this time to me.

I rise today as a longtime supporter of risk assessment and cost-benefit analysis.

This legislation puts to use good science and common sense over political priorities which arise from the vicious circle of unsubstantiated media claims and subsequent public fear about exaggerated risk. Risk assessment and cost-benefit analysis allow us to prioritize our finite resources to those risks that truly threaten society.

We all have examples of outrageous regulations forced on the American people that drive up costs to consumers and businesses.

There was a television special last year hosted by John Stossel on the issue of risk assessment which was titled ''Are We Scaring Ourselves to Death?''

Let us look at risks which actually shorten our life spans, airplanes by 1 day, hazardous waste by 4 days, air pollution by 61 days, crime by 113 days, driving 182 days. In the last decade, we have heard Alar, Perrier, cellular phones, carpets, coffee. They have all been dramatized by the media and the public for the risk they pose, and yet no one on this floor expects to pass legislation outlawing everyday hazards like stairs, which kill a thousand Americans, and bikes, which kill 700 Americans each year.

Mr. Chairman, one of the reasons that I ran for Congress was to foster and renew strong partnerships between citizens and their Government.

The President stated in an executive order requesting Federal agencies and departments to conduct risk assessment that the United States is overburdened with Federal regulations and that the American public deserves a system that protects and improves their health, safety, environment, and well-being, and improves the performance of the economy without imposing unacceptable or unreasonable costs on society.

The legislation before us achieves this goal. Risk assessment and cost-benefit analysis was also adopted as part of the Southern Legislative Conference priority agenda, and in the State of Florida this year, Governor Lawton Chiles is considering similar legislation.

As we are forced to allocate scarce resources to combat the most serious threats facing our health, safety, and the environment, risk assessment and cost-benefit analysis are important management tools necessary in crafting sound public policy. We can no longer enact unnecessary regulations here in Washington. It is not fiscally possible.

By basing our Nation's regulations on these principles, we stand to forge rather than force that strong partnership.

In addition, through the use of risk assessment and cost-benefit, we can identify those areas around our Nation, particularly the poorer regions, that are in need of Federal regulatory protection. The Congressional Research Service and the General Accounting Office assert such analysis might increase the net benefits of Federal regulations, might reveal cost-effective alternatives, and might actually justify stricter regulations..

In a recent Time-CNN poll, 68 percent of the American people favored environmental regulations being subject to a cost-benefit analysis. Another survey by the Harvard Center for Risk Analysis showed similar results.

Mr. Chairman, the American people want their Government to produce necessary and meaningful regulations and not burden them with unnecessary ones.

Opponents will argue $125 million to implement this bill is too costly, but they will fail to mention the cost of compliance of $430 billion annually, 9 percent of our gross domestic product. As cited in the Vice President's national performance review, the time is now to enact this bill.

I urge my colleagues to vote for sensible regulatory reform and vote for H.R. 1022.

Mr. WALKER. Mr. Chairman, I yield 1 minute to the gentleman from Tennessee [Mr. WAMP].

Mr. WAMP. Mr. Chairman, I thank the gentleman for the time. Mr. Chairman, this legislation is long overdue. Risk assessments and cost-benefit analyses are critical to the economic health of our nation's citizens, businesses, and local governments.

As a member of the Science Committee, I understand the importance of H.R. 1022 and the common sense approach it will bring to the regulatory process. It is the first step in restoring logic and order to our nation's regulatory nightmare.

If used properly, risk assessments serve as an important basis for sound regulatory and risk management decisions.

But, if there is no rhyme or reason to the process of assessing risk, they can harm industries and destroy jobs.

Let me give you an example of how manufacturers in my state are affected. One of the biggest industries in the Southeast and in Tennessee, my home State, is the appliance manufacturing industry. This industry employes over 28,000 people in Tennessee and over 50,000 people in southern States like Florida, Georgia, North and South Carolina, Virginia, Alabama, and Kentucky.

Mr. Chairman, the biggest threat to this industry is not foreign competition. Believe it or not, the biggest threat to this industry is the impact of federal regulations. More and more, these costly, and unreasonable regulations are redirecting human, financial, and technical resources to comply with the growing number of Government mandates.

The appliance manufacturing industry is one of the last remaining true American manufacturers. More than 80 percent of the major appliances used by American consumers are produced here in the United States.

The total impact on the appliance industry of a growing burden of federal regulations is a serious and immediate concern to manufacturers in my state and the entire Southeast region of the country.

That is exactly why I introduced an amendment during committee mark-up which explicitly requires regulators to consider the total burden of government regulations on companies or products, of any industry, and to accurately evaluate financial impacts on manufacturers in all industries.

Currently, the Department of Energy does not take into account consideration of the total financial or technical resource burden on manufacturers of continuously redesigning all of their major products to meet the standards.

What is more absurd is that neither the EPA or the Department of Energy coordinate with one another to take into account the problems manufacturers have in meeting separate, and often conflicting, standards at the same time.

As you can imagine, these EPA and Department of Energy standards are often times conflicting, which simply adds to the manufacturers' cost of compliance.

For the sake of our Nation's manufacturers, I strongly urge passage of this bill.

Mr. BROWN of California. Mr. Chairman, I yield myself 3 minutes.

Mr. Chairman, I found this debate to be quite useful, and I regret very much that there are not more Members who are here to listen to it and to participate in it. I say that because I have a number of Members who expressed a desire to speak who are not here on the floor right at this moment, and I consider that to be regrettable.

Nevertheless, during the course of this debate, there are going to be statements made probably on both sides which are going to be difficult to verify and which, in some cases, may be a slight distortion of the truth.

The gentleman from Massachusetts [Mr. MARKEY], for example, cited purported EPA regulation of buckets to require a hole in the bottom. I do not know whether that is a true story or not.

□ 1645

But it indicates a problem of how stories get around. The gentleman from Florida [Mr. BILIRAKIS] made reference to the Alar problem, which I was quite familiar with and participated in it as a member of the Committee on Agriculture.

My recollection of that situation, which I deplored publicly on many occasions, was not that the EPA had overregulated, but that very vociferous consumer groups insisted that they had under-regulated and carried that through all the media to the point that it created a wave of hysteria against what EPA had actually done.

Now, I hope that I am not mistaken in my recollection of the facts. It turns out that it almost ruined the apple crop that year, put severe stress on the people who supplied the Alar chemicals, and cost them most of their market, and led, I think, to their voluntary withdrawal of the commodity.

These are the kinds of situations which deserve to be more fully explored.

Unfortunately, it cannot be done here on the floor. I will confess my memory is not perfect on an event of this sort and by the time it gets perfect, it will be next week and we will have voted on the matter and it will be impossible to ascertain what the real facts were.

Mr. Chairman, I reserve the balance of my time.

Mr. BLILEY. Mr. Chairman, I yield 3 minutes to the gentleman from California, the vice chairman of the committee [Mr. MOORHEAD].

Mr. MOORHEAD. I thank the gentleman for yielding this time to me.

Mr. Chairman, I rise in strong support of H.R. 1022.

This bill incorporates as title I legislation I introduced in the last Congress to set requirements for the assessment and characterization of risks.

For risk assessment documents, it requires the following: A discussion of laboratory and epidemiological data and whether it shows a link between a substance or activity and health risks. An explanation of the assumptions the agency made and why others were rejected. A discussion of whether agency studies show the same results as real life data.

Once the risk is assessed, it requires that the agency present the information fairly and openly, including the following: A description of who or what is at risk, a best estimate of the risk, and a description of how much scientific uncertainty there is. An explanation of how the agency believes the population would be exposed. A comparison of the risk to risks from other activities, especially ones that the public would understand. A statement of how much risk there would be from other alternatives.

Title I only applies to risk assessment and risk characterization documents used by a list of covered federal agencies, not to all federal agencies, and only in connection with regulatory programs designed to protect human health, safety and the environment. It also only applies to certain agency actions, like final rules that have compliance costs for our country of more than $25 million, reports that agencies issue to Congress, environmental cleanup plans, certain permit conditions, and to the placement of a substance on a list of carcinogens or toxic substances.

Title I is really fair legislation. It is not designed to roll back health and environmental standards or override existing laws. In fact, it explicitly states that it does not modify any existing statutory standard or statutory requirement designed to protect health, safety or the environment.

We need this legislation to make sure that we are not ignoring real risks while we are regulating phantom ones. I urge my colleagues to support the bill.

Mr. DINGELL. Mr. Chairman, I continue to reserve my time.

PARLIAMENTARY INQUIRY

Mr. WALKER. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman from Pennsylvania [Mr. WALKER] will state it.

Mr. WALKER. Mr. Chairman, would the Chair advise this gentleman who has the right to close the debate?

The CHAIRMAN. The gentleman from Virginia [Mr. BLILEY] or the gentleman from Pennsylvania [Mr. WALKER] would have the right to close.

Mr. WALKER. I thank the Chair.

Mr. Chairman, I yield 2 minutes to the gentleman from Maryland [Mr. BARTLETT].

(Mr. BARTLETT of Maryland asked and was given permission to revise and extend his remarks.)

Mr. BARTLETT of Maryland. Mr. Chairman, I rise to express my unwavering support for H.R. 1022, the Risk Assessment and Cost-Benefit Act.

Additionally, I would like to thank the gentleman from Pennsylvania, Chairman WALKER, and the gentleman from Virginia, Chairman BLILEY, for their leadership on this important piece of legislation.

Mr. Chairman, the Congressional Office of Technology Assessment in November 1993 released a study which stated that the Federal Government devotes inadequate attention and resources to federal risk assessment research. Additionally, EPA's own Scientific Advisory Board noted that if the Nation's finite resources are spent solving low-risk problems rather than

high-risk ones, then society will be exposed to higher risks with inadequate resources to deal with them.

Regulatory costs is the single greatest hurdle facing U.S. businesses and is a big job killer. Businesses and local governments which were regulated spent more than $500 billion in direct and indirect costs in 1993 twice the deficit to comply with federal mandates, and that figure is expected to climb to more than $650 billion annually by the year 2000, roughly 3 times our whole defense costs.

Almost 75 percent of this cost increase is expected to result from additional environmental, health and safety regulations. Beyond problems caused by the rising costs of government regulations, the regulatory process itself has become unduly rigid, unresponsive and inconsistent.

We all lose because of irresponsible policies. Without risk assessment, the EPA does not have to use sound science in environmental regulation formation. Bias input can be used to adjust data to fit a policy agenda which is not looking out for business, local governments or the average citizen—who must comply with political agendas.

We need to create confidence in our environmental regulations through risk and cost-benefit analysis. As a representative, one of my goals in representing my constituents in Congress has been to provide regulatory relief to local government and local employers and to balance this with the needs of people for a clean environment.

Before we burden our economy and society with costly new laws and regulations or continue some of those now in place, we must be sure that the benefits justify the costs.

Sound science, cost benefit analysis and risk assessment must all work together to ensure balanced environmental laws and regulations when they are enacted. The process must include: scientifically sound risk assessment; risk-based prioritization; and cost-effective risk management. In addition, there must be public participation in all phases of the process. These aspects must be at the heart of any environmental decisionmaking.

Mr. BROWN of California. Mr. Chairman, I yield 2 minutes to the gentlewoman from Texas, Ms. EDDIE BERNICE JOHNSON.

(Ms. EDDIE BERNICE JOHNSON of Texas asked and was given permission to revise and extend her remarks.)

Ms. EDDIE BERNICE JOHNSON of Texas. I thank the gentleman for yielding this time to me.

Mr. Chairman, I, like everyone else, say we need to deal with this kind of legislation, but this piece of legislation goes too far. It is too extreme.

Title II of H.R. 1022 provides new decisional criteria that elevate flexibility for industry and cost reduction above public health and safety. The bill rescinds the decisional criteria for balancing harms and benefits, both public and private, both known and unknown, that have been built into the Federal environmental protection legislation over the past 25 years. It requires EPA to bear the burden of proof that the benefits of regulatory actions are worth it.

What this means in real terms is that the vulnerable Americans—the sick, the elderly, the newborn—can no longer be protected because their protection is too expensive. This also means that EPA would not be able to take any action that addresses many current health hazards, such as preventing the reoccurrence in the Nation's water supply of various bacterial diseases like the one that killed numerous people in Milwaukee and caused 400,000 illnesses, preventing the 70,000 deaths estimated to be caused each year by breathing air laden with fine particles or reducing airborne emission dioxin from waste incinerators located in residential communities.

Mr. Chairman, I know firsthand about many of these kinds of conditions. This puts people's lives at risk.

Mr. Chairman, title II of H.R. 1022 provides new decisional criteria that elevate flexibility for industry and cost reduction above public health and safety. The bill rescinds the decisional criteria for balancing harms and benefits, both public and private, both known and unknown, that have been built into all Federal environmental protection legislation over the past 25 years. It requires EPA to bear the burden of proof that the benefits of regulatory action are worth it.

What this means in real terms is that vulnerable Americans—the sick, the elderly, the newborn—can no longer be protected because their protection is too expensive.

This also means that EPA would not be able to take any action to address many current health hazards, such as preventing the recurrence in the Nation's water supply of microbial diseases like the one that killed numerous people in Milwaukee and caused 400,000 illnesses, preventing the 70,000 deaths estimated to be caused each year by breathing air laden with fine particles, or reducing the airborne emissions of dioxin from waste incinerators located near residential communities.

BACKGROUND

Section 202(a) requires that the benefits of any major rule to protect health, safety, or the environment—one resulting in an increase in cost of $25 million or more—justify and be related to, the costs of the rule. That section also requires that there be no regulatory or nonregulatory option that could achieve similar benefits in a more cost-effective manner or in a manner providing more flexibility to the regulated entities. These requirements must be met by substantial evidence in the rulemaking record (section 202(b)(2)), a higher standard for agency rulemaking than the ''arbitrary and capricious'' standard required for agency rulemakings under the Administrative Procedure Act [APA].

As a result, this bill supersedes, and rescinds, the decisional criteria for balancing harms and benefits built into all current Federal environmental laws. The mandates of environmental statutes that EPA rulemaking be necessary to protect human health or the environment—RCRA hazardous waste requirements—or provide an adequate margin of safety (Clean Air Act) or prevent the endangerment of drinking water supplies (Safe Drinking Water Act), to use just a few examples, would be fundamentally altered. Instead, EPA's rules under all environmental statutes would need to be based on a demonstration that the benefits of the action ''justify'' the costs and that there are no other options, including non-regulatory options, that are more cost-effective.

Because of the substantial evidence standard, EPA will need to quantify costs and benefits to the extent possible. And, since many of the public and private benefits of environmental regulation are difficult to identify, let alone quantify, public health and environment will always be on the losing side of this kind of analysis.

And the biggest losers in this kind of analysis are people who are the most expensive to protect: infants, older Americans, people with serious illnesses, people in rural areas, and people who live in low income areas. Prolonging the life of persons who are the most vulnerable may have little economic value.

Similiarly, preventing people from becoming ill, a major benefit of new drinking water protection rules, for example, has little dollar value and would be unlikely to survive this analysis. As a result, EPA would not be able to require the additional water treatment that would prevent the recurrence of incidents such as the outbreak of Cryptosporidiosis in the Milwaukee water supply that resulted in an estimated hundred deaths and over 400,000 illnesses.

EPA would also have great difficulty justifying new Clean Air Act standards to protect children from lead poisoning, asthmatics from sulfur dioxide, and cardiac patients from carbon monoxide. EPA would also not be able to revise the outdated rules for hazardous waste incinerators located in or near residential communities.

Mr. BLILEY. Mr. Chairman, I yield 3 minutes to the gentleman from Virginia [Mr. NORWOOD], a member of the committee.

Mr. NORWOOD. I thank the gentleman for yielding this time to me.

Mr. Chairman, I do not just rise, I stand up with great glee to support H.R. 1022. I have for the last 5 years of my life lived under the rules of this Federal Government. Finally, I decided to run for Congress to try to get out of the way of the Food and Drug Administration, OSHA, and all the other regulatory agencies in this country.

This bill is an important first step toward a Federal rulemaking system that solves legitimate problems cost effectively, a rulemaking system that cooperates with governments and businesses and that prioritizes potential risks to society based on objective science rather than subjective whimsy.

I know that this town may not be full of crazy regulators or standards writers or enforcers, I do know there are a lot of them here, but Mr. Chairman, they are all over the country. And if I may cite a couple of examples which have a source: EPA regulations require municipal water treatment plants to remove 30 percent of organic material before discharging treated water into the ocean. What a good idea. Who could disagree with that?

Because water, though, in Anchorage, AK, is already cleaned, the town has had to recruit local fish processors to purposely dump 5,000 pounds of fish guts into the sewer system each day, thus allowing the city to clean the water and satisfy EPA requirements.

Another wonderful example, Mr. Chairman: Montana rancher John Shuler was awakened one night by a grizzly bear rummaging through his sheep herd. He went outside with his guns and fired shots into the air in an attempt to scare them off. An unseen grizzly emerged from the dark to attack Shuler. Fearing for his life, Shuler shot the bear.

The grizzly bear, you know, is on the endangered species list, Mr. Chairman, and Mr. Shuler was consequently fined $4,000 by the EPA.

I am amazed today to hear people say that it is unfair to have a peer review committee where the very people who are being ruled and regulated are going to sit on that committee and be able to defend their families and businesses. I am amazed to hear the people that sit in the hearings, directors of agencies, complain about paperwork, complain about being regulated and complain about lawyers. For goodness sakes, that is what we have been living with for the last 10 years.

Mr. Chairman, Federal regulatory costs are estimated to be over $540 billion. Our supporters ask us to support H.R. 1022.

Mr. DINGELL. Mr. Chairman, I yield 3 minutes to the distinguished gentleman from Florida [Mr. HASTINGS].

(Mr. HASTINGS of Florida asked and was given permission to revise and extend his remarks.)

Mr. HASTINGS of Florida. Mr. Chairman, title I of H.R. 1022 will cripple American industry. It requires extensive risk analysis which is time consuming, redundant, and unnecessary. It will apply to hundreds of thousands of American industries and businesses that need environmental permits or changes to permits they already have.

The provisions of this title will result in huge delays in the construction or modification of the hundreds of thousands of industries and businesses that apply for any type of environmental permit or permit modification each year. And it is the permittee who will bear the cost of the delay and the redundant analysis. This is gridlock at its worst.

□ 1700

Also, because these analyses are required prior to EPA even proposing cleanup measures for oil or toxic spills, contamination of land and water will spread and grow more costly, and more dangerous, while awaiting these analyses. These analyses are required even if they are completely unnecessary for the cleanup. This kind of redtape and bureaucratic strangulation is absurd.

Title I or H.R. 1022 requires that each significant risk assessment document and significant risk characterization document prepared by or for a Federal agency meet detailed analysis requirements prior to completing actions designed to protect human health, safety, or the environment. (Section 103(b).) Federal actions in which such assessments or characterizations are used and which do not comply with these requirements must be voided by the courts even where the document itself was tangential to the federal action.

While risk assessment and risk characterization documents are necessary and important bases for federal regulatory action, the scope of this provision goes far beyond scientific risk assessment or characterization documents. In fact, risk assessment and risk characterization documents are sweepingly defined to include virtually any federal document which identifies, describes, or discusses any hazard (Section 110). Although the definition of significant documents narrows the scope of these provisions, the federal actions affected remain large, including all federal permits, major rules, and federal oil or chemical spill response plans.

More importantly within those categories, all risk assessment documents or risk characterization documents, regardless of their significance, must meet the analysis requirements of sections 104 and 105. Since almost any document prepared for a Federal permit, Federal permit modification, cleanup plan, or major rule will at least refer to, if not discuss, the hazards addressed by the federal action, almost all documents must meet the analysis requirements, even when that analysis is not particularly relevant or necessary for the Federal action.

Mr. Chairman, this is a crippling American industry provision, and I ask that we reject H.R. 1022.

Mr. WALKER. Mr. Chairman, I yield 2 minutes to the gentleman from Virginia [Mr. DAVIS].

(Mr. DAVIS asked and was given permission to revise and extend his remarks.)

Mr. DAVIS. Mr. Chairman, today our Nation spends about $140 billion each year to comply with environmental regulations. That total will climb past $200 billion by the year 2000. Now these regulations are vital, but these costs mean that less money is available for other important needs like reducing crime, creating jobs, improving our education system, and, as we saw in committee in some cases, even allowing more money to go for medical science research that could be available with the cost-benefit analysis before we move ahead. Inefficient investments in regulatory programs reduces our ability as a nation to create new opportunities for Americans.

I have been hearing arguments from the other side of the aisle that they want regulatory reform but not this reform. But my question is, ''If you want reform, where have you been the last 40 years?''

Mr. Chairman, what did they accomplish? Zip, zero, except add law after law, regulation after regulation, layer after layer of $50 solutions to $5 problems.

Opponents of this bill also argue that this will open the floodgates to litigation. I ask, ''What do you think we have now?'' At least for the first time we will get good science, and we will get some cost-benefit analysis before these costs are imposed on small businesses, local governments and consumers.

Mr. Chairman, H.R. 1022 should make the regulatory process more efficient and more productive instead of squandering time and resources treating relatively minor risks. This bill establishes criteria for identifying and treating the more serious risks facing the environment, public health and safety. When emergency rule-making authority is needed, this bill allows agencies to continue to use their emergency rulemaking authority.

Mr. BROWN of California. Mr. Chairman, I yield 2 minutes to the gentleman from Tennessee [Mr. TANNER].

(Mr. TANNER asked and was given permission to revise and extend his remarks.)

Mr. TANNER. Mr. Chairman, I have always been and will continue to be a strong supporter of risk assessments and regulatory reform. This bill was intended to address real problems within the current system. However, this new version before us today differs from either bill considered by the Committee on Commerce or the Committee on Science, and it needs substantive changes if it is to address the regulatory morass now present.

Implementation of its cumbersome procedures requires people. Using conservative CBO estimates this could mean putting about 5,000 people back on the federal payroll.

This bill will result in an increase in risk assessments and cost-benefits analyses by agencies from the current level of 80 per year to more than 2,400 per year.

The cost to the Department of Defense for developing and implementing peer review for the base realignment and closure process alone will be estimated between $35 and $70 million per year. The Department of Transportation will have to perform risk assessment and cost-benefit analysis before issuing mirror requirements to help school bus drivers protect the safety of our schoolchildren.

That is not the kind of reform our constituents would like to see, not to mention State governments coming under this.

Talk about an unfunded mandate; H.R. 1022 would require State governments, when acting as agents of the Federal Government, to perform risk assessment and cost-benefit analysis on issuance of permits or even modifications to the permitting process. In my opinion this is the classic definition of an unfunded mandate.

Not only that, but the bill, as written, allows courts to determine the criteria for sound science, the impact which will certainly be endless lawsuits.

Remember, my colleagues, it was 1991, after the Reagan-administration-appointed judge who, after reviewing thousands of pages of scientific assessments, imposed a logging ban across much of the Pacific Northwest to protect the spotted owl.

Finally, and unbelievably, as written H.R. 1022 allows individuals with a vested interest in the outcome to sit on peer review panels.

Curiously, this contract that was created by legislators rightly concerned about the exercise of power by unelected bureaucrats would give the power to delay new regulations, some needed, to unelected peer review panels and the courts. I am for reform, as I said, but this bill must have substantive change to be worthy of its title.

Mr. Chairman, in our haste to meet an arbitrary deadline on this legislation let us, please, not make an intolerable situation more intolerable.

Mr. BLILEY. Mr. Chairman, I reserve the balance of my time.

Mr. DINGELL. Mr. Chairman, I yield 3 minutes to the gentleman from Ohio [Mr. BROWN].

Mr. BROWN of Ohio. Mr. Chairman, I rise because of concerns about H.R. 1022.

First of all, I am proud to live in a nation with the cleanest air, the purest food, the safest drinking water, the safest products, the safest working conditions, of any country in the world. I am proud of that. I think that obviously the people of this country are proud of the working conditions, proud of the clean air, and safe drinking water, and pure food laws, and the consensus that this country has arrived at on both sides of the aisle in making the standard of living in this country as high as it is and making the environment in this country as good as it is.

I live on Lake Erie in Lorain, Ohio, 25 or so miles west of Cleveland. Twenty years ago parts of Lake Erie were literally dead. The Cuyahoga River caught on fire in the city of Cleveland. Today—as I said, I live on the lake. I have two daughters that swim in Lake Erie. People drink the water in Lake Erie. It is a wonderful resource for all kinds of commercial purposes, for all kinds of activities around the lake, and we have been able to do that in this country because of the cooperation of business and the cooperative of government and the active citizens that have cleaned up that lake and made it safe and made it what we would like it to be.

Certainly sometimes government does overreach, and, when government does overreach, it is up to us to deal with those regulations one by one, not with a meat axe approach like H.R. 1022 does, but to deal with it case by case. That is why I support risk assessment. That is why I support good scientific based information, risk assessment, cost-benefit analysis. That is why it makes sense to do it case by case by case, not the way that H.R. 1022 does.

What H.R. 1022 will bring to this society in this government is more regulation, more bureaucracy, more lawyers, more litigation. That is why many groups around the country have called this the lawyers' full employment bill. It simply does not make sense to pile more government, more bureaucracy, more litigation, more lawyers on top of what we now have. It simply does not make sense.

The gentleman from California [Mr. BROWN] and I will offer a substitute amendment later this evening. It will set a higher threshold for rulemaking which will save government money and save private sector money. It will allow for appropriate judicial review which will cut the costs of litigation, will mean fewer lawyers rather than more lawyers. It will mean less litigation rather than more litigation, and the Brown-Brown substitute will provide for peer review with no conflict of interest so that, when regulations are considered under risk assessment, that the decisions will be made fairly, without undue private interference from those groups, or those industries or those businesses that have something to gain by that interference. The substitute, the Brown-Brown substitute which we will offer later, means less money, less litigation, less bureaucracy, less conflict of interest. It simply makes sense, Mr. Chairman.

Mr. WALKER. Mr. Chairman, I yield 1 minute to the gentleman from Kansas [Mr. TIAHRT].

(Mr. TIAHRT asked and was given permission to revise and extend his remarks.)

Mr. TIAHRT. Mr. Chairman, for the last 40 years Washington, government, has been taxing and strangling both American families and American jobs, and let there be no doubt. Unneeded regulations are nothing more than a tax on the American public. I say to my colleagues, ''You and I have paid the bill for the cost shifting of increased prices associated with the things we need to purchase. According to the Alliance for Reasonable Regulations, it is now estimated that the effective cost to an average family is over $6,000 per year. That's why the House passed in a bipartisan vote a moratorium on new regulations. Six thousand dollars a year for irresponsible, unneeded, expensive regulations prevents parents from keeping enough food, enough of their hard-earned money, to buy food and clothing and provide a comfortable living for their children.''

Remember the cost of regulation is the most regressive type of tax because both the poor and the rich pay the same, and it is harder for the poor families. So, if we care about our kids and our families, and we all do, we should start to reduce the burden of unnecessary regulations and start to apply some common sense.

I urge a vote for H.R. 1022, a vote for sound science and reasonable regulation.

Mr. BROWN of California. Mr. Chairman, I yield 2 minutes to the gentlewoman from Texas [Ms. JACKSON-LEE].

(Ms. JACKSON-LEE asked and was given permission to revise and extend her remarks.)

Ms. JACKSON-LEE. Mr. Chairman, risk assessment and cost-benefit analysis, a resounding yes.

However, Mr. Chairman, House Resolution 1022 has been developed far too hastily to be considered as a sound policy prescriptive for public health, safety and environmental regulatory standards. This bill imposes inflexible and unrealistic requirements for regulatory analysis and decision making. Our Federal agencies will have to spend more time scrutinizing the regulations than gathering a base of research to support the proposed rule, the business that they should be in. The effect of this bill would be nothing more than to slow the regulatory rule-making business down to a crawl, and we cannot even begin to speculate what kind of effect such restrictions would have on public safety and public health. These administrative burdens are projected to cost at least $250 million a year if this particular bill is implemented, but yet we stand here, Mr. Chairman, and say that we want to cut costs and make government more efficient.

We are creating problems rather than addressing them. Between expanding the scope of judicial review for virtually all Federal rules aimed at protecting health, safety or the environment and in a single broad stroke superseding various provisions of such laws, this bill becomes to a certain extent the mother of all risks.

□ 1715

We are risking public health, public safety, and threatening our environment. This Risk Assessment and Cost-benefit Act presently before us is more of a cost than a benefit. I urge my colleagues to solve the real problem the real way, with less bureaucracy.

I might add, if I can, Mr. Chairman, to simply query the gentleman from Pennsylvania [Mr. WALKER], because I heard him complaining about, and I am a new Member, the high cost of asbestos removal regulations. I was just wondering as to when that particular rule was implemented. I was just wondering, as I am a new Member, why you mentioned the asbestos removal regulations that many of us did operate under. I am from local government. We had to respond to it. But I was wondering, since you mentioned it, whether you knew when that rule was implemented.

Mr. WALKER. Mr. Chairman, will the gentlewoman yield?

Ms. JACKSON-LEE. I yield to the gentleman from Pennsylvania.

Mr. WALKER. I think it was during the 1980's.

Ms. JACKSON-LEE. I think it was during the Reagan administration. I would ask for your comment, at the time it was done under a Republican administration, the concern was we were trying to resolve this as it related to our children. We were looking to improve the safety conditions of our children, and I think we were working with the present scientific technology at that time.

Mr. WALKER. If the gentlewoman would yield, the problem is that even in the Reagan administration bureaucrats are bureaucrats, and they did not have any mandate to do good science. We are going to mandate them to do good science. It would have prevented that mistake from being made, whether it was during the Reagan, Carter, or Clinton administration. This bill is designed to make certain we do not have to go through that kind of problem once again. It was a disaster.

Ms. JACKSON-LEE. I wholeheartedly agree with you that we need good science. I think the science used at that time was the best science they could use, and I think we must be cognizant of that and be sure that we do nothing to damage the health and safety of our children.

Mr. BLILEY. Mr. Chairman, I yield 1 minute to the gentleman from Florida [Mr. MICA].

Mr. WALKER. Mr. Chairman, I yield 2 minutes to the gentleman from Florida [Mr. MICA].

The CHAIRMAN. The gentleman from Florida [Mr. MICA] is recognized for 3 minutes.

(Mr. MICA asked and was given permission to revise and extend his remarks.)

Mr. MICA. Mr. Chairman, my colleagues in the House of Representatives, regardless of what you have heard in the debate today, this is really a well-crafted bill. It is incredible to hear the opponents whine against this bill, because this bill does not do any of the things to any of the regulations they are talking about. This bill does not go back. This bill is not retroactive. This bill is prospective. This bill gives the President a say in this risk assessment process. This bill gives the agencies a say in this risk assessment process.

This is a well-crafted, sound piece of legislation. Let me tell you something else this bill does for the future. Current law in many instances prohibits the use of cost as a criteria in assessing risks and benefits. This bill says for the first time that we will use a cost-benefit and risk assessment based on a set of criteria that makes sense in an orderly procedure.

Let me give you some examples, if I may, of ridiculous approaches to requirements to assess risk right now. In 1992, OSHA cited a two-person company for not having material safety data sheets for Windex and Joy cleaning solutions. Here is a material safety data sheet that they are required to fill out. Is that a good use of our resources?

EPA rules force dentists to keep logs for possession an disposal of White-Out. Here is White-Out correction fluid. It is classified as a hazardous waste. Is that a good use of our resources?

Mr. Chairman, let me give you one more example—strawberries. Strawberries, EPA limits benzene to 5 parts per billion in drinking water. Strawberries naturally have 50 parts per billion. Does this make sense? Is this how we are protecting public health, safety and welfare? I say not.

GAO cited in a study to this Congress that politics is the main criteria for choosing cleanup sites. What does that say to our children in inner cities? What does that say to the real risk to human life and human limb?

Limited resources require that we do a better job. Let me quote John Graham, a Harvard professor, who said, ''Sound science means saving the most lives and achieving the most ecological protection with our scarce budgets. Without sound science, we are engaging in a form of 'statistical murder,' where we squander our resources on phantom risks when our families continue to be endangered by real risks.''

So this legislation today for the first time gives some direction to an agency like EPA, like OSHA, and says these are the risks. This is the way we will address these risks, and we will use cost-benefit analysis in the process. It is a good piece of legislation, and I urge Members to support it.

Mr. DINGELL. Mr. Chairman, how much time remains amongst the several of us allocating time?

The CHAIRMAN. The gentleman from Michigan [Mr. DINGELL] has 5 minutes remaining, the gentleman from Virginia [Mr. BLILEY] has 10 minutes remaining, the gentleman from California [Mr. BROWN] has 5 minutes remaining, and the gentleman from Pennsylvania [Mr. WALKER] has 7 minutes remaining.

Mr. WALKER. Mr. Chairman, I yield 2 minutes to the gentleman from California [Mr. ROHRABACHER].

Mr. ROHRABACHER. Mr. Chairman, the opponents of this bill would like the American people to believe that their health and safety will be jeopardized if this legislation passes, but nothing could be further from the truth. The American people have had to endure radical environmentalists screaming lies into their face for far too long. This bill insists that government will be basing its decisions on sound science, peer review, and cost-benefit analysis.

What really is at issue here is the ability of power-hungry bureaucrats to intimidate the homeowner or the farmer or the small businessman or woman at will. It is a stake in the heart of big brother government.

From now on, if local government and small enterprise is going to be driven out of business, it has got to be justified, and it has got to be justified on a reasonable condition, rather than just pandering to the paranoid screams of environmental Chicken Littles. In hearings before the Committee on Science, we watched as bureaucrats shed crocodile tears because this bill would cause unacceptable delays that would cost more and add layers of bureaucracy to their departments. In other words, Mr. Chairman, they are opposed to this bill because it would impose the same burdens on them that they have been imposing on the American people.

Perhaps if this bill had been in effect, our public schools would not have been forced to spend $10 billion on a nonexistent asbestos problem, and instead could have used the money for educating our children. There are numerous examples of this monstrously costly nonsense, from cyclamates to alar, from lead paint to cranberries causing cancer.

A vote for H.R. 1022 is a vote for rational regulation, sound science, and a vote against Big Brother bureaucracy. It is a vote for prosperity and safety for our people. I urge all of my colleagues to join with me in supporting this bill.

Mr. BLILEY. Mr. Chairman, I yield 5 minutes to the gentleman from Ohio [Mr. OXLEY], the chairman of the subcommittee.

(Mr. OXLEY asked and was given permission to revise and extend his remarks.)

Mr. OXLEY. Mr. Chairman, I rise in support of the legislation. The Risk Assessment and Cost-benefit Act of 1995 achieves two fundamental objectives. First, the bill ensures that the system of assessing risks and communicating that information to decision makers in the public is objective, unbiased and informative.

Second, it ensures that the Federal regulatory process has an enforceable system that considers the incremental costs and benefits of each significant option for every piece of major legislation. I think that makes good common sense in the sense of common sense legal reform that we are trying to bring about.

Mr. Chairman, I had an opportunity to look at the Wall Street Journal just last week in which I found a very interesting column that was titled ''In Search of Zero Risk.'' It was written by a Kathryn Kelly, a principal of ERM—Environmental Toxicology International in Seattle, WA, who had some interesting points to make in terms of what we are looking at in our existing environmental standards.

She says the ''acceptable risk'' criterion on which much of the current environmental regulation is premised has no basis in scientific fact, has received no serious review, and was in fact ''pulled out of a hat.'' At issue is the so-called ''one-in-a-million'' standard of acceptable risk for environmental contaminants.

She goes on to talk about how they talked to several people that were involved in this risk assessment and how they came to this one-in-a-million risk. I think the Members will find it interesting.

She says, ''What is the origin of this criterion which has cost society billions of dollars? In 1991 my firm set out to solve this mystery. We contacted officials from the Bush White House, the Environmental Protection Agency, the Food and Drug Administration, the Congressional Office of Technology Assessment, and activist groups such as Greenpeace. The result, no one, not even the very Federal officials who currently use the one-in-a-million standard, knew what it was based on.''

A sample of the responses: ''My mind is a complete blank.'' ''My, what an interesting question.'' ''It is an economic criterion, whatever that means.'' ''It is based on the chance of being hit by lightning, which is one in a million.'' ''It was a purely political decision made by several of the major agencies behind closed doors in the 1970's. I doubt very much you will get anyone to talk to you about it.'' Our personal favorite: ''You really shouldn't be asking these questions.'' This from one of the Federal agencies.

Now, I ask you, does the response from these so-called agencies make sense whatsoever in the real world? If you look at the statutes that we are dealing with, the Clean Water Act, the Clean Air Act, the recent alar scare, the recent flap over asbestos in schools, you have to say to yourself, we have gone far too much in the wrong direction in trying to set these particular standards.

It is unconscionable for a school district the size of mine in a town of 35,000 people to have to spend over $3 million removing asbestos from the school system that was found later to be perfectly safe, and was in fact safer had they left it alone than if they tried to get it out and put it back in the air.

Or let us look at the Clean Air Act. You talk about a political decision. All of us remember, of course, the study that was commissioned where we spent over $600 million to study clean air, and particularly acid rain. I am glad to see my friend from California show up, because he was responsible for this mishmash that is the Clean Air Act.

We had this NAPAP report. The NAPAP report supposedly was going to give us the information we needed to craft a good and effective clean air bill. What happened? In the tradition of the Congress, ready, fire, aim, the Congress actually passed a clean air bill before the NAPAP report came out. When the NAPAP report came out several months later, it was found that we were clearly killing a fly with a sledgehammer. That has meant in my home State of Ohio an increase already of 14 percent for my electric rates for my constituents and constituents of other Ohio Members.

Now, I ask you, does that really make any sense? Can you stand here and make a legitimate argument that after the NAPAP report came out, that the clean air bill, particularly as it related to SO_2 made any sense? This is a good bill, it is a fair bill, it is balanced, it makes sense for America, and let us get on with it.

Mr. Chairman, the Risk Assessment and Cost-Benefit Act of 1995 achieves two fundamental objectives. First, the bill ensures that the system of assessing risks and communicating that information to decisionmakers and the public is objective, unbiased and informative. Second, it ensures that the Federal regulatory process has an enforceable system that considers the incremental costs and benefits of each significant option for every piece of major regulation.

The biggest problem faced in preparing this legislation is that so many early laws simply provide for, or even allow for, these rules of reason. The bill states that three rules of reason must be met notwithstanding prior law. The act requires Federal agencies to certify that:

(1) risk assessments and cost analyses are objective and unbiased;

(2) the incremental risk reduction or other benefits of a major rule will be likely to justify, and be reasonably related to, the incremental costs; and

(3) that the regulation is either more cost-effective or provides more flexibility to State, local, or tribal governments or regulated entities than the other options considered.

I believe these are sound and reasonable principles. The current costs of Federal regulatory programs are estimated between $430 and $700 billion and increasing every day. Yet, Congress has never in any significant way reformed a Federal regulatory program to consider sound risk assessments and incremental cost-benefit analysis.

Real reform means you must supersede the inconsistent old requirements to the extent they are not reasonable. We know this is a novel concept in a legislative body that has only added more regulatory programs and to a Federal bureaucracy defending its own weak programs.

Why should we preserve a system based on biased risk assessments? Why should we preserve a system where costs are unjustified or unreasonable? Why should we preserve a system where regulations are inflexible or not cost-effective?

Simply put, if the bureaucrats can't justify their rules, we should not continue to add more and more regulations with major costs.

The debate over the last number of years has revealed strong differences among some Members about the role of the Federal Government and risk assessment and cost-benefit analysis. The view from outside the Washington beltway, from Governors, mayors, school boards and small and large businesses, is that there is a serious problem concerning the credibility and impact of Federal regulatory programs.

A number of Members, however, believe that rules which increase annual costs between $25 and $100 million should not be subject to cost-benefit requirements. Many of these same Members advocate that risk and cost-benefit legislation should essentially be unenforceable. In my view, such an approach would shield the Federal bureaucracy from real accountability and effectively neuter the legislation.

I am further reminded of how those who oppose judicial review for the Federal bureaucrats were eagerly prepared to impose penalties under the Toxic Substances Control Act on ordinary homeowners during real estate transactions. Last year I opposed Radon legislation which placed requirements on ordinary homesellers and even those who rented out rooms. Republicans argued that such an approach intruded on State law and would swamp the Federal courts with millions of violations during ordinary real estate transactions.

We asked EPA to justify its support when the possible penalties were as high as $10,000 for failing to hand out a hazard information pamphlet. I offered an amendment to remove this provision, but the Administration and the Democratic leadership prevailed. Moreover, the League of Conservation Voters scored my amendment as an anti-environmental vote.

I think I can guarantee that such an approach to expand the Federal regulatory octopus to ordinary homeowners will not occur this Congress.

I am struck, however, by the double standard and the passionate defense of the Federal bureaucracy by the same Members so willing to impose Federal penalties and litigation on ordinary homeowners. Congress has simply added new regulatory program upon new regulatory program. America is long over due for real change.

I strongly support H.R. 1022, the Risk Assessment and Cost-Benefit Act. The bill provides a strong, enforceable system of accountability, disclosure, peer review, and careful analysis of regulatory alternatives. This is a critical building block for Federal regulatory programs to ensure that our national resources reduce real risks and set realistic priorities.

Mr. WALKER. Mr. Chairman, I yield 2 minutes to the gentleman from California [Mr. BAKER].

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Mr. BAKER of California. Mr. Chairman, in his book ''Breaking the Vicious Circle,'' Supreme Court Justice Stephen Breyer tells the story of a case he tried while he was on the First Circuit Court of Appeals. The case U.S. versus Ottati and Gross, involved a toxic waste site that had been substantially cleaned-up, so much so that small children could eat small amounts of dirt from the site for 70 days every year with no ill effects.

Enter the Environmental Protection, Agency. The E.P.A. wanted the owners of the dump to spend an additional $9.3 million to make the site clean enough so that children could eat dirt there for 245 days annually—despite the facts that the site was in the middle of a swamp, no children played there and that the E.P.A. acknowledged that much of the remaining waste would evaporate by the year 2000.

Mr. Chairman, as this amazing story demonstrates, we need risk assessment reform. The Republican plan strikes a balance between environmental protection and human safety, on the one

hand, and environmental extremism and bureaucratic excess on the other. Burdening the private sector with costly and useless regulations undermines the cause of a sound environment, and costs jobs in the process.

In fact, Mr. Chairman, even the Clinton administration has admitted that the cost of private sector compliance with Federal regulations to be $430 billion annually—a full 9 percent of the gross domestic product. Other studies indicate that the true cost could be double this amount.

The Republican risk assessment plan requires Federal agencies that issue health, safety or environmental regulations to perform risk assessment and cost-benefit analysis for any rule that would cost the economy $25 million or more. Our bill establishes peer review programs so that experts from outside the Government and ordinary citizens affected by Federal rules can give their imput. And our plan says that the President has to set regulatory priorities and report to Congress, every 2 years, on how to implement them.

Mr. Chairman, we need risk assessment to protect our citizens from the worst excess of zealous regulators. Let's act now before the bureaucrats strike again.

Mr. BROWN of California. Mr. Chairman, I yield 2 minutes to the gentleman from Texas, Mr. PETE GEREN.

(Mr. PETE GEREN of Texas asked and was given permission to revise and extend his remarks.)

Mr. PETE GEREN of Texas. Mr. Chairman, I rise in support of H.R. 1022 and the peer review process contained therein. Any true regulatory reform must have as a fundamental principle a methodical process to evaluate the relative risk of a proposed regulation. That is where peer review comes in, and it is an integral part of this bill.

Some critics have voiced skepticism over the peer review provision of H.R. 1022 because it does not require peer reviewers to be excluded solely because they represent entities that may have an interest in the regulation. Some feel that this sets a dangerous precedent, inviting conflicts of interest. Not only is there precedent for such peer review panels, Congress has in certain instances required panels to include labor, industry and others involved in an issue so that balance is achieved in a peer review process.

Under the provisions of this bill, the panels are required to be balanced and all panel members must fully disclose any interest they have in the outcome. This same practice has been followed by a number of advisory boards already in existence set up by the Federal Government. For example, under the National Environmental Policy Act, the Science Advisory Board was established to conduct peer review of any proposed standard, limitation or regulation administered by the Environmental Protection Agency. The Science Advisory Board is required to be composed of at least nine members with the only qualification being education, training and experience in evaluating scientific and technical information. Nowhere does it dictate who should or should not participate in the decisions because of their affiliation.

Scientific integrity has been maintained under the Science Advisory Board. Nothing has been compromised.

In another example, the Occupational Safety and Health Act established the National Advisory Committee on Occupational Safety and Health to advise, consult with and make recommendations to the Secretary of Labor on issues under OSHA. Specifically, the committee is to be composed of representatives of management, labor, occupational safety and occupational health professions and the public. Clearly, all of these parties have a stake in the decisions made by this committee, but none is barred by participation based on that interest.

The Energy Policy Act, passed by Congress in 1992, also requires the establishment of a peer review panel, and there are no requirements based on interest in the outcome.

Mr. Chairman, the provisions of the peer review process of this bill are sound, and I urge support of this bill.

Mr. BLILEY. Mr. Chairman, I yield 1 minute to the gentleman from Idaho, [Mr. CRAPO], a member of the committee.

Mr. CRAPO. Mr. Chairman, it is an important time that we have reached finally in the debate for regulatory reform. People across America know all of the examples, the schools that are facing a tremendous burden our regulations put on them, the libraries across our country, the hospitals, the people in every walk of life who have to face the significant requirements that are burdens of our regulations put upon them to require them to increase the safety to vary increasingly minute risks with virtually no analysis of whether the cost of reaching those increasingly minute risks or safety factors are justified.

Today we have an opportunity to correct that, to require that common sense be applied when we are crafting regulations, to require that when we say that a certain goal is something that should be reached by the people in this country, that we know what it is going to cost them and that the benefits that are going to be gained by that expenditure money are justified by the analysis. This is what the American people want. It is no less than we should give them in the administration of our laws.

Mr. DINGELL. Mr. Chairman, I yield 1 minute to the distinguished gentlewoman from Arkansas [Mrs. LINCOLN].

(Mrs. LINCOLN asked and was given permission to revise and extend her remarks.)

Mrs. LINCOLN. Mr. Chairman, I rise as a strong proponent of risk assessment and effective government and cost-benefit analysis.

Having grown up on a farm in eastern Arkansas and having seen in person both the tremendous waste, that government regulations can assist us in preserving our environment and our surroundings but also in being overburdensome as well as top heavy in regulatory needs. Risk assessment is a vital tool in forming cost-effective and well-reasoned federal regulations. It should be used to create a better and responsive Federal Government, not stymie things down with court actions or excessive delay.

But I do have some concerns that the bill we are looking at today, this will happen under the current bill. Before we consider H.R. 1022 further, we may have to take a time-out to do a cost-benefit analysis on this bill. CBO has made some conservative estimates that the bill will cost the Federal Government an additional 250 million a year to conduct risk assessment. This breaks down to approximately 5,000 new federal employees, including many new lawyers hired to defend agency actions.

As we look at this bill today, I hope that we will work in bipartisan fashion to make it better so that it will be of great assistance to all of us across the Nation in making government more effective.

Mr. WALKER. Mr. Chairman, I yield 1 minute to the gentleman from Minnesota [Mr. GUTKNECHT].

Mr. GUTKNECHT. Mr. Chairman, there is an article that is working its way around the Capitol entitled, ''Whatever Happened to Common Sense.'' I think that is really what we are talking about with this bill today.

I want to share with my colleagues two examples of people who have been in my office in the last two weeks.

One of them was a cardiologist from my district. He was in town for a convention. They were talking about some of the technologies that are available today in Europe, Japan and even in Israel that are not available in the United States because of the bureaucratic tangle that they have to go through to get FDA approval.

A second gentleman runs a little three-person business, and it is not in my district, but he has a partner in my district that by his own count, last year, they had to fill out 6,243 pages of bureaucratic paperwork. Whatever happened to common sense?

That is what is before us today. I think the American people are tired of $50 solutions to $5 problems. We need H.R. 1022, and we need it now.

Mr. BROWN of California. Mr. Chairman, I yield myself the balance of my time.

We have had, as I have indicated before, an illuminating debate on this issue. But I think it needs to be stressed again that there is no basic difference on either side as to what we are trying to achieve. We want a more rational, less expensive, more common sense, to use the phrase of the last speaker, system of regulation. What

seems to be causing us problems is a discussion of how we go about achieving this very desirable goal.

I have pointed out in earlier remarks that every administration in my experience here, which goes back 32 years, has sought to achieve this same goal and failed. And most of those were Republican presidents, I might say. So I presume the response of the other side is, well, it was a democratic Congress that prevented these things from happening.

That is not the case. The situation has been that those, many of us in Congress equally wanted to do that, but the situation did not point to an easy solution. It still does not.

Unfortunately, on the other side, they believe that they have an easy solution. I think this is best illustrated by some of the anecdotes that we have heard here.

The Republicans have done a very good job of packaging this as well as their other contract items. In critical areas they have used the argument that this is for the children. This always gets a marvelous 80 percent response. If it is for the children, maybe 90 percent in some cases, that is the thing that needs to be done.

What happened in the alar case? It was not EPA regulation. It was the Natural Resources Defense Council which held a press conference which belabored EPA for not regulating alar. And what happened then? Sixty Minutes picked it up and said, look what is happening to our children because they are being exposed to this poison. And EPA did not anticipate the undue concentration of apple juice in the diet of little children. And the demand was overwhelming throughout the United States for EPA to regulate more strictly than they had.

Now, the same thing has happened in cases of asbestos, for example. It is well known that asbestos kills. It leads to a deadly, fatal lung disease. I was exposed to that problem 30 years ago, when workers at the naval shipyard came to me and said that they were getting sick and dying, and it was the children living in schools where there was asbestos insulation that caused the furor for asbestos regulation. I do not think that there was ever any mandate from EPA to regulate it, but there was a huge, popular demand from school boards and parents all over this country.

Beware what you are doing because you may hurt some little children, and it will come back and bite you.

Mr. BLILEY. Mr. Chairman, I yield 2 minutes to the gentleman from California [Mr. BILBRAY], a member of the committee.

(Mr. BILBRAY asked and was given permission to revise and extend his remarks.)

Mr. BILBRAY. Mr. Chairman, earlier today a colleague of mine on the Committee on Commerce made a reference to outrageous regulations and paperwork that government would have to do if this bill passed. Well, let me tell Members something. On the first day we actually passed a law that said that Congress will start living under the rules we set for other people. Maybe this bill is saying, government will start living by the rules that everybody in the United States has to live under, that we have to consider the cost-effectiveness of our actions before we initiate them.

I find it ironic to see the people that have been screaming for years that we need more regulation and more paperwork now point to a situation where we are asking government to reciprocate, all at once they are worried about it.

Mr. Chairman, my colleagues and I who work on environmental issues throughout this Nation, I for one in California, have been appalled over the years that the fact that our environmental regulations sent down from Washington have not had the effect of protecting the public in a manner that would be the most cost-effective and, thus, avoiding benefit that could be perpetuated if we were focusing on cost-effectiveness.

In California, Mr. Chairman, we have for decades had a mandate for cost-effectiveness. It has not been a barrier to protecting the public health. It has been one of our greatest successes.

In fact, in our Clean Air strategies, which I think all of us would agree is one of most successful programs in this country, California's clean air strategies have been made successful because we have a cost-effectiveness mandate, not regardless thereof.

I think that we also need to point out, Mr. Chairman, that we are talking about the public health when we are talking about cost-effectiveness. We are talking about bringing some reasonable, logic into the formulation of our public health strategy. And I know there may be Members of this body that may get nervous when we talk about common sense and reasonableness, but that is all we are talking about here.

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We are not talking about dollars and cents, we are not talking about business. From this Member's point of view, when we talk cost-effectiveness, we talk about getting the most public health benefit for every dollar spent. The equates into the public health of our children, and without it, our children would be exposed.

Mr. Chairman, I ask for support of this item, for our children's public health.

Mr. DINGELL. Mr. Chairman, I yield 4 minutes to the distinguished gentleman from California [Mr. WAXMAN].

(Mr. WAXMAN asked and was given permission to revise and extend his remarks.)

Mr. WAXMAN. Mr. Chairman, I oppose this legislation for three reasons: it is a fraud, it is a rollback of 25 years of environmental progress, and it is just plain stupid. Let me explain what I mean.

The proponents of this bill say that it is designed to improve the regulatory process. They say that all it does is inject common sense in the form of risk assessment, and cost-benefit analysis into rule-making process. This is a fraud. This bill is not about improving rulemaking, it is not about risk assessment or cost-benefit analysis.

These are tools used now, wisely. They are very helpful in deciding what regulations are appropriate, but what they in fact do is create in this bill so many procedural hurdles to regulations that Federal agencies will simply be unable to protect the public health and the environment any more.

Mr. Chairman, let me show the Members what I mean. I have a chart, and this chart illustrates the rulemaking maze created by H.R. 1022 and other components of the so-called Contract With America. The legislation adds so many review requirements that it will be virtually impossible for any agency to issue new rules.

Agencies have to perform risk assessments, cost benefit analyses, cost effectiveness analyses, flexibility analyses, comparative risk analyses, to name only a few of the new requirements. The Environmental Protection Agency has told us that to comply with these new requirements they will need 1,000 new employees.

The Food and Drug Administration has told us that issuing even simple rules, like standards to improve the detection of breast cancer during mammographies, could be delayed up to 2 years. Is this common sense? I doubt it.

If an agency ever gets through this maze, it is then open to judicial review. H.R. 1022 makes the agency's risk assessments, cost-benefit analyses, all the other activities, subject to a court action, a lawyer's dream.

Any industry that does not like the regulation that comes out of that maze can go into court and challenge the regulation, tie it up for years. These two charts that I have up now illustrate 60 new grounds for challenging agency actions; let me repeat that, 60 new grounds to go into court.

That is laying it out for the lawyers to be able to tie up regulations that some big industry polluter does not like. For instance, a regulation can be challenged on the basis that the risk assessment did not sufficiently discuss laboratory data, or did not adequately discuss comparative physiology or pharmacokinetics.

This is a fraud on the American people. The Members supporting this legislation are telling us they want to improve and streamline the rulemaking process. The truth, which they know but are not willing to tell the American people, is just the opposite. This legislation adds so many new procedural requirements it would allow any industry that opposes a new regulation

to delay and litigate the regulation to death, no matter how essential that regulation may be.

Mr. Chairman, this legislation is a rollback of 25 years of health and environmental progress: the Clean Air Act, the Clean Water Act, the safe drinking water laws, the Toxic Substances Act. All of these laws have been successful. The air is cleaner in so many parts of our country. You can swim in areas which in fact in the past have been too polluted to even stick your toe in, and the drinking water is going to be improved and has been improved throughout the country.

However, the laws that are now being proposed this week would supersede all of the laws that I have mentioned and many others with a new set of requirements to roll back those standards.

I urge my colleagues to oppose this legislation. It is a rollback of important legislation that protects the health and the environment, and it just is not common sense.

Mr. BLILEY. Mr. Chairman, I yield such time as he may consume to the gentleman from Colorado [Mr. SCHAEFER].

(Mr. SCHAEFER asked and was given permission to revise and extend his remarks.)

Mr. SCHAEFER. Mr. Chairman, I rise today in strong support of the Risk Assessment and Cost-Benefit Act of 1995. This commonsense legislation will reform the way in which regulatory agencies set their rulemaking priorities.

People across the country want regulatory reform. A recent article in the Washington Post cited a study showing that 69 percent of the public thinks that the Federal Government controls too much of our daily lives. People find it hard to believe that we are devoting precious resources to address risks that are so remote as to be negligible. We need rules that are rationally based, work better, and cost less.

Government agencies, as well as private individuals and businesses, will benefit from risk assessment and cost benefit analysis. For instance, DOE is currently required to clean up sites across the country from its nuclear and weapons activities. These cleanups are subject to the requirements of RCRA and superfund. To the extent we add, through this legislation, reasonableness to the regulatory process, agencies of Government will benefit.

The Risk Assessment and Cost-Benefit Act will not undermine needed Federal safety guidelines nor will it prevent the Government from dealing with real environmental dangers. Instead, it asks Federal agencies to pursue the best alternative for the taxpayers' dollar. It is my view that the Government should justify the reasonableness of what it is doing to improve our citizens' lives, and that is exactly what this legislation is designed to accomplish.

Some opponents of the measure decry it as a burden on the Federal regulatory bureaucracy. A burden on quick Federal regulation. I believe this is exactly what is needed. It is not unreasonable to ask the Federal Government to thoroughly review its regulation criteria to ensure the regulations are needed and efficient.

Mr. Chairman, this legislation makes sense and is long overdue. I urge my colleagues' support.

Mr. BLILEY. Mr. Chairman, I yield the balance of my time to the gentleman from Florida [Mr. STEARNS].

(Mr. STEARNS asked and was given permission to revise and extend his remarks.)

Mr. STEARNS. Mr. Chairman, I thank the gentleman from Virginia for yielding to me, and I thank the gentleman from Pennsylvania [Mr. WALKER], the chairman of the Committee on Science, for one great bill that we got out of Congress.

I might say to the gentleman from California [Mr. WAXMAN] who preceded me that his other colleague pointed out that he wishes his party could have offered this legislation in the intervening 40 years since Republicans have been a majority, so he does not think it is a fraud. He does not think it is stupid. In fact, many people feel that this particular bill's time has come.

Obviously, Mr. Chairman, I rise in strong support of H.R. 1022, the Risk Assessment and Cost Benefit Act of 1995. Many of us know that we spend up until the 15th of May to pay our taxes. That is how long we work to pay our taxes. We go to the 15th of July to pay for the regulations.

This legislation represents the Republicans' commitment to achieve true reform of the way government works, and more importantly, it brings us closer to fulfilling the promise that we made to the American people.

I find it some concern that there could be any opposition to this legislation, for truly, it is one of the most common sense bills we have brought before the House. It takes a rational look at irrational regulatory process. It forces agencies to slow down and look long and hard at each proposed rule.

It forces out irrational regulation based upon upward bound technology, and implements, instead, a process that is both rational and fair. Rules and regulations would still exist, but they would finally be based upon sound science.

This bill would force the Federal Government to live under the same rational rules that govern American households and businesses. The bill would require regulators to use their brains when making rules. They could no longer base their overly draconian regulations on the highest available technology, an idea that has led to a huge amount of increased regulatory burden on American taxpayers.

Therefore, Mr. Chairman, I support and I urge all my colleagues to support this bill. Its time has finally come.

Mr. WALKER. Mr. Chairman, I yield myself the remainder of my time.

The CHAIRMAN. The gentleman from Pennsylvania [Mr. WALKER] is recognized for 2 minutes.

Mr. WALKER. Mr. Chairman, as we conclude the debate, it seems to me that the main complaint we have heard from the opposition is the fact that we seem to be doing more in 4 months than they were able to do in 40 years in terms of trying to deal with regulations.

Nearly everybody that got up said they are for the intent of this bill. That is always the case. They are for it, they say, but not now, not soon, and perhaps not ever.

Mr. Chairman, I think what we need to look at is the reality of where we are in this country today. Some have actually gotten up here and defended the present regulatory climate. The gentleman from California showed his chart, and he was all concerned about the fact that the regulators would actually have to do something about trying to make themselves more real in terms of science.

Let us look at what is really happening in terms of this bill. This is the present regulatory climate, created by people who are now opposing this bill. All we are doing is we are adding four little boxes to the whole thing.

What we are saying to the regulators is ''You impose all of this on the economy as a whole, you impose this on business, you impose this on individuals. Now we are going to ask you, in four little places, to do a little bit more.'' Now what we will get out of that is good science, we will get better regulations.

Let me tell the Members who should be for this bill: anyone who has ever seen some Government regulations in some area he knows something about and thought or said ''That is really stupid. That person ought to be for this bill, because there is a lot of stupid regulation that goes on out there.'' American knows there are too many stupid Government regulations.

This bill gives us a chance to stop being dumb and dumber, this bill gives us a chance to be smart and sensible. What this bill says is that the country has already undergone all kinds of turmoil as a result of what we have done in Government regulations. It is high time that bureaucrats also have to take a look at what they are doing. They have to apply good science, they have to apply common sense.

Good science and common sense, that is what we are debating here. Some are for it, some are against it.

Mr. BILBRAY. Mr. Chairman, I rise today in strong support of H.R. 1022, the Risk Assessment and Cost-Benefit Analysis Act of 1995.

We have reached a point in our regulatory infrastructure where we have come to value to process over the product. Our goal should be to provide the best possible service to all Americans in terms of our public health and safety regulations.

With this bill, we move a long way towards being able to deliver on this goal.

The fundamental purpose of H.R. 1022 is to present the public, and Federal decisionmakers, with the most objective and unbiased scientific information available, concerning the nature and magnitude of various health, safety and environmental risks.

With this information available, we can help ensure sound regulatory decisionmaking, and improved public awareness.

H.R. 1022 will also require analysis of costs and benefits for major-rulemaking on human health, safety and the environment.

Major rules are defined as regulations that are likely to result in an annual increase of $25 million or more in costs to State, local and tribal governments, or the regulated community.

This is very important, Mr. Chairman, because in an era where we are necessarily focused on downsizing government and reducing federal outlays, it is essential that our available resources are allocated carefully and efficiently.

We can no longer afford, if indeed we ever could, to simply throw money at a perceived problem.

The examples of false alarms and wasted tax dollars are many, and we cannot maintain sound public health standards by setting policy based on the ''crisis du jour.''

In San Diego we have 2 examples of regulations that are costly, and unnecessary and prohibitively burdensome.

The first is the federally mandated secondary sewage standard.

This is a requirement that will cost ratepayers billions and provide little benefit to the public or the environment.

We also have an electronic light rail project that has been held up by various agencies' permitting processes for years.

This is an environmentally beneficial project—one that promotes mass transit and clean air—and yet it has been tangled in a bureaucratic battle with various agencies such as the U.S. Fish and Wildlife Service and Army Corps of Engineers since 1992.

It is truly an example of an environmentally sound public project held hostage by Federal agencies which are supposed to facilitate projects like this.

As the New York Times recently stated, ''. . . environmental policy too often has evolved largely in reaction to popular panics, not in response to sound scientific analysis of which environmental hazards present the greatest risks.

Critics, naysayers, and ''Chicken Littles'' claim that we are ''rolling back 30 years of environmental protection.'' Please.

What we are doing is assuring Americans the greatest degree of regulatory enforcement possible, based on sound science, with the limited resources we have available.

It is unfair and ineffective to do anything short of this.

Mr. Chairman, we have an opportunity here to respond to the American people's call for change, and to restore a measure of sanity and common sense to the Federal oversight which affects so many of them.

I urge my colleagues to deliver on these positive changes, and join me in support of H.R. 1022.

Mr. MINETA. Mr. Chairman, I rise in strong opposition to the bill H.R. 1022, the Risk Assessment and Cost-Benefit Act of 1995.

First, let me make clear that I favor having good information about risks so that we can fashion sensible regulations to protect human health and safety and the environment while cutting down on unnecessary bureaucracy. I am also in favor of sound cost-benefit analysis to improve economic efficiency.

But I opposed H.R. 1022 because it does neither. On the contrary, it merely creates more bureaucracy, generate redtape, and reduces efficiency while providing no additional health, safety, or environmental benefits. In short, it is the exact opposite of streamlining government.

The bill mandates a uniform set of regulatory procedures for Federal agencies without flexibility. While the model used to develop the risk assessment principles and guidelines included in the bill may fit some cancer risks, it is entirely inappropriate for regulating highway safety.

Yet the Department of Transportation is required to follow the same rigid and inappropriate procedure to evaluate risks as at EPA. That simply doesn't make sense to me.

What I see is that the bill is sacrificing the Federal Government's ability to protect human health and safety or the environment for the sake of maintaining regulatory uniformity. It will produce bad regulations, and will create an inflexible process that produces nothing but extra paperwork.

Make no mistake, this bill does not benefit the average American; it benefits only corporate interests. It impedes public health and safety or environmental protection while making it easier than ever for businesses to make a quick buck at public expense.

How else can you explain why industry representatives who have an interest in the outcome of a risk assessment are allowed to serve on a peer review panel simply by disclosing that interest? It is preposterous to suggest that such people do not have an unacceptable conflict of interest.

And the bill is a sweet deal for lawyers. By opening up the process of risk assessment to judicial review, opponents of necessary health and environmental protection can tie up the regulatory process virtually forever. No working people, no children, no pregnant women, and no elderly will benefit from endless litigation. But the bill is a ''full employment act'' for lawyers.

This bill is also a back-door way to repeal important environmental legislation enacted in the last quarter century through its super mandate provision. If there are specific statutes or portions of statute that we want to repeal, fine, let's debate them openly and decide their fate. We should not use some procedural sleight of hand to supersede their authority.

Finally, the bill would subject individual permits to the extensive procedural obstacles specified in it. It would grind the clean water permit program, for example, to a screeching halt. The law would require permits, but it could take forever to issue one.

The bottom line is: the bill does not have the people's or the environment's interests at heart, only those of the lawyers and big business.

I urge you to vote no on this bill.

Mr. WALKER. Mr. Chairman, I move the Committee do now rise.

The CHAIRMAN. The question is on the motion offered by the gentleman from Pennsylvania [Mr. WALKER].

The motion was agreed to.

Accordingly the committee rose; and the Speaker pro tempore, Mr. MCHUGH, having assumed the chair, Mr. HASTINGS of Washington, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 1022) to provide regulatory reform and to focus national economic resources on the greatest risks to human health, safety, and the environment through scientifically objective and unbiased risk assessments and through the consideration of costs and benefits in major rules, and for other purposes had come to no resolution thereon.

VOTE ON HOUSE RESOLUTION 96, PROVIDING FOR THE CONSIDERATION OF H.R. 1022, RISK ASSESSMENT AND COST-BENEFIT ACT OF 1995

The SPEAKER pro tempore. The pending business is the question de novo of the vote on House Resolution 96.

The Clerk read the title of the resolution.

For text of House Resolution 96, see prior pages of the RECORD of this date.

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

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

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

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

The Sergeant at Arms will notify absent Members.

This will be a 17-minute vote.

The vote was taken by electronic device, and there were—yeas 253, nays 165, not voting 16, as follows:

[Roll No. 175]

YEAS—253

Allard	Chambliss	Flanagan
Archer	Chenoweth	Foley
Armey	Christensen	Forbes
Bachus	Chrysler	Fowler
Baker (CA)	Clinger	Fox
Baker (LA)	Coble	Franks (CT)
Ballenger	Coburn	Franks (NJ)
Barcia	Collins (GA)	Frelinghuysen
Barr	Combest	Frisa
Barrett (NE)	Condit	Funderburk
Bartlett	Cooley	Ganske
Barton	Cox	Gekas
Bass	Cramer	Geren
Bateman	Crane	Gilchrest
Bereuter	Crapo	Gillmor
Bevill	Cremeans	Gilman
Bilbray	Cubin	Goodlatte
Bilirakis	Cunningham	Goodling
Bliley	Davis	Gordon
Blute	de la Garza	Goss
Boehlert	Deal	Graham
Boehner	DeLay	Greenwood
Bonilla	Diaz-Balart	Gunderson
Bono	Dickey	Gutknecht
Brewster	Doolittle	Hall (TX)
Browder	Dornan	Hancock
Brownback	Dreier	Hansen
Bryant (TN)	Duncan	Hastert
Bunn	Dunn	Hastings (WA)
Bunning	Edwards	Hayworth
Burr	Ehlers	Hefley
Burton	Ehrlich	Heineman
Buyer	Emerson	Herger
Callahan	English	Hilleary
Calvert	Ensign	Hobson
Camp	Everett	Hoekstra
Canady	Ewing	Hoke
Castle	Fawell	Horn
Chabot	Fields (TX)	Hostettler

Houghton
Hutchinson
Hyde
Inglis
Istook
Johnson (CT)
Johnson, Sam
Jones
Kasich
Kelly
Kim
King
Kingston
Klug
Knollenberg
Kolbe
LaHood
Largent
Latham
LaTourette
Laughlin
Lazio
Leach
Lewis (CA)
Lewis (KY)
Lightfoot
Lincoln
Linder
Livingston
LoBiondo
Longley
Lucas
Manzullo
Martini
McCarthy
McCollum
McCrery
McDade
McHugh
McInnis
McIntosh
McKeon
Metcalf
Meyers
Mica
Miller (FL)
Molinari
Montgomery
Moorhead
Morella
Murtha
Myers
Myrick
Nethercutt
Neumann
Ney
Norwood
Nussle
Oxley
Packard
Parker
Paxon
Peterson (MN)
Petri
Pickett
Pombo
Porter
Portman
Pryce
Quillen
Quinn
Radanovich
Ramstad
Regula
Riggs
Roberts
Rogers
Rohrabacher
Ros-Lehtinen
Roth
Royce
Salmon
Sanford
Saxton
Scarborough
Schaefer
Schiff
Seastrand
Sensenbrenner
Shadegg
Shaw
Shays
Shuster
Sisisky
Skeen
Skelton
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Solomon
Souder
Spence
Stearns
Stenholm
Stockman
Stump
Talent
Tate
Tauzin
Taylor (MS)
Taylor (NC)
Thomas
Thornberry
Tiahrt
Torkildsen
Torricelli
Upton
Vucanovich
Waldholtz
Walker
Walsh
Wamp
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Williams
Wolf
Young (AK)
Young (FL)
Zeliff
Zimmer

NAYS—165

Abercrombie
Ackerman
Baesler
Baldacci
Barrett (WI)
Beilenson
Bentsen
Berman
Bishop
Bonior
Borski
Boucher
Brown (CA)
Brown (FL)
Brown (OH)
Bryant (TX)
Cardin
Clay
Clayton
Clement
Clyburn
Coleman
Collins (IL)
Collins (MI)
Conyers
Costello
Coyne
Danner
DeFazio
DeLauro
Dellums
Deutsch
Dicks
Dingell
Dixon
Doggett
Dooley
Doyle
Durbin
Engel
Eshoo
Evans
Farr
Fattah
Fazio
Fields (LA)
Filner
Foglietta
Frank (MA)
Frost
Furse
Gejdenson
Gephardt
Green
Gutierrez
Hall (OH)
Hamilton
Harman
Hastings (FL)
Hayes
Hefner
Hilliard
Hinchey
Holden
Hoyer
Jackson-Lee
Jacobs
Jefferson
Johnson (SD)
Johnson, E. B.
Johnston
Kanjorski
Kaptur
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kleczka
Klink
LaFalce
Lantos
Levin
Lewis (GA)
Lofgren
Lowey
Luther
Maloney
Manton
Markey
Martinez
Mascara
Matsui
McDermott
McHale
McNulty
Meehan
Meek
Menendez
Miller (CA)
Mineta
Minge
Mink
Moakley
Mollohan
Moran
Nadler
Neal
Oberstar
Obey
Olver
Ortiz
Orton
Owens
Pallone
Pastor
Payne (NJ)
Payne (VA)
Pelosi
Peterson (FL)
Pomeroy
Poshard
Rangel
Reed
Reynolds
Richardson
Rivers
Roemer
Rose
Roybal-Allard
Sabo
Sanders
Sawyer
Schroeder
Schumer
Scott
Serrano
Skaggs
Slaughter
Spratt
Stark
Stokes
Studds
Stupak
Tanner
Tejeda
Thompson
Thornton
Thurman
Torres
Towns
Traficant
Tucker
Velazquez
Vento
Visclosky
Volkmer
Ward
Waters
Watt (NC)
Waxman
Wise
Woolsey
Wyden
Wynn
Yates

NOT VOTING—16

Andrews
Becerra
Chapman
Flake
Ford
Gallegly
Gibbons
Gonzalez
Hunter
Lipinski
McKinney
Mfume
Rahall
Roukema
Rush
Wilson

□ 1814

Messrs. GENE GREEN of Texas, BALDACCI, and MATSUI changed their vote from ''yea'' to ''nay.''

Mr. FLANAGAN changed his vote from ''nay'' to ''yea.''

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 926, REGULATORY RELIEF AND REFORM ACT

Mr. SOLOMON, from the Committee on Rules, submitted a privileged report (Rept. No. 104–52) on the resolution (H. Res. 100) providing for the consideration of the bill (H.R. 926) to promote regulatory flexibility and enhance public participation in Federal agency rulemaking and for other purposes, which was referred to the House Calendar and ordered to be printed.

REPORT ON RESOLUTION REQUESTING THE PRESIDENT TO SUBMIT INFORMATION CONCERNING ACTIONS TAKEN THROUGH THE EXCHANGE STABILIZATION FUND TO STRENGTHEN THE MEXICAN PESO AND STABILIZE THE ECONOMY OF MEXICO

Mr. LEACH, from the Committee on Banking and Financial Services, submitted a privileged report (Rept. No. 104–53) on the resolution (H. Res. 80) requesting the President to submit information to the House of Representatives concerning actions taken through the exchange stabilization fund to strengthen the Mexican peso and stabilize the Mexican economy, which was referred to the Union Calendar and ordered to be printed.

RISK ASSESSMENT AND COST-BENEFIT ACT OF 1995

The SPEAKER pro tempore (Mr. MCHUGH). Pursuant to House Resolution 96 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the further consideration of the bill, H.R. 1022.

□ 1817

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 further consideration of the bill (H.R. 1022) to provide regulatory reform and to focus national economic resources on the greatest risks to human health, safety and the environment through scientifically objective and unbiased risk assessments and through the consideration of costs and benefits in major rules, and for other purposes, with Mr. HASTINGS of Washington in the chair.

The CHAIRMAN. When the Committee of the Whole rose earlier today, all time for general debate had expired.

Pursuant to the rule, the bill is considered as having been read for amendment under the 5-minute rule.

The text of H.R. 1022 is as follows:

H.R. 1022

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

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Risk Assessment and Cost-Benefit Act of 1995''.

SEC. 2. FINDINGS.

The Congress finds that:

(1) Environmental, health, and safety regulations have led to dramatic improvements in the environment and have significantly reduced human health risk; however, the Federal regulations that have led to these improvements have been more costly and less effective than they could have been; too often, regulatory priorities have not been based upon a realistic consideration of risk, risk reduction opportunities, and costs.

(2) The public and private resources available to address health, safety, and environmental concerns are not unlimited; those resources need to be allocated to address the greatest needs in the most cost-effective manner and so that the incremental costs of regulatory alternatives are reasonably related to the incremental benefits.

(3) To provide more cost-effective and cost-reasonable protection to human health and the environment, regulatory priorities should be based upon realistic consideration of risk; the priority setting process must include scientifically sound, objective, and unbiased risk assessments, comparative risk analysis, and risk management choices that are grounded in cost-benefit principles.

(4) Risk assessment has proven to be a useful decision making tool; however, improvements are needed in both the quality of assessments and the characterization and communication of findings; scientific and other data must be better collected, organized, and evaluated; most importantly, the critical information resulting from a risk assessment must be effectively communicated in an objective and unbiased manner to decision makers, and from decision makers to the public.

(5) The public stake holders must be fully involved in the risk-decision making process. They have the right-to-know about the risks addressed by regulation, the amount of risk to be reduced, the quality of the science used to support decisions, and the cost of implementing and complying with regulations. This knowledge will allow for public scrutiny and promote quality, integrity, and responsiveness of agency decisions.

(6) Although risk assessment is one important method to improve regulatory decision-making, other approaches to secure prompt relief from the burden of unnecessary and overly complex regulations will also be necessary.

SEC. 3. COVERAGE OF ACT.

This Act does not apply to any of the following:

(1) A situation that the head of an affected Federal agency determines to be an emergency. In such circumstance, the head of the agency shall comply with the provisions of this Act within as reasonable a time as is practical.

(2) Activities necessary to maintain military readiness.

(3) Any individual food, drug, or other product label, or to any risk characterization appearing on any such label, if the individual product label is required by law to be approved by a Federal department or agency prior to use.

(4) Approval of State programs or plans by Federal agencies.

SEC. 4. DEFINITIONS

For purposes of this Act:

(1) COSTS.—The term ''costs'' includes the direct and indirect costs to the United States Government, to State, local, and tribal governments, and to the private sector, wage earners, consumers, and the economy, of implementing and complying with a rule or alternative strategy.

(2) BENEFIT.—The term ''benefit'' means the reasonably identifiable significant health, safety, environmental, social and economic benefits that are expected to result directly or indirectly from implementation of a rule or alternative strategy.

(3) MAJOR RULE.—The term ''major rule'' means any regulation that is likely to result in an annual increase in costs of $25,000,000 or more. Such term does not include any regulation or other action taken by an agency to authorize or approve any individual substance or product.

(4) PROGRAM DESIGNED TO PROTECT HUMAN HEALTH.—The term ''program designed to protect human health'' does not include regulatory programs concerning health insurance, health provider services, or health care diagnostic services.

Title I—Risk Assessment and Communication

SEC. 101. SHORT TITLE.

This title may be cited as the ''Risk Assessment and Communication Act of 1995''.

SEC. 102. PURPOSES.

The purposes of this title are—

(1) to present the public and executive branch with the most scientifically objective and unbiased information concerning the nature and magnitude of health, safety, and environmental risks in order to provide for sound regulatory decisions and public education;

(2) to provide for full consideration and discussion of relevant data and potential methodologies;

(3) to require explanation of significant choices in the risk assessment process which will allow for better peer review and public understanding; and

(4) to improve consistency within the executive branch in preparing risk assessments and risk characterizations.

SEC. 103. EFFECTIVE DATE; APPLICABILITY; SAVINGS PROVISIONS.

(a) EFFECTIVE DATE.—Except as otherwise specifically provided in this title, the provisions of this title shall take effect 18 months after the date of enactment of this title.

(b) APPLICABILITY.—

(1) IN GENERAL.—Except as provided in paragraph (3), this title applies to all significant risk assessment documents and significant risk characterization documents, as defined in paragraph (2).

(2) SIGNIFICANT RISK ASSESSMENT DOCUMENT OR SIGNIFICANT RISK CHARACTERIZATION DOCUMENT.—(A) As used in this title, the terms ''significant risk assessment document'' and ''significant risk characterization document'' include, at a minimum, risk assessment documents or risk characterization documents prepared by or on behalf of a covered Federal agency in the implementation of a regulatory program designed to protect human health, safety, or the environment, used as a basis for one of the items referred to in subparagraph (B), and—

(i) included by the agency in that item; or

(ii) inserted by the agency in the administrative record for that item.

(B) The items referred to in subparagraph (A) are the following:

(i) Any proposed or final major rule, including any analysis or certification under title II, promulgated as part of any Federal regulatory program designed to protect human health, safety, or the environment.

(ii) Any proposed or final environmental clean-up plan for a facility or Federal guidelines for the issuance of any such plan. As used in this clause, the term ''environmental clean-up'' means a corrective action under the Solid Waste Disposal Act, a removal or remedial action under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, and any other environmental restoration and waste management carried out by or on behalf of a covered Federal agency with respect to any substance other than municipal waste.

(iii) Any proposed or final permit condition placing a restriction on facility siting or operation under Federal laws administered by the Environmental Protection Agency or the Department of the Interior.

(iv) Any report to Congress.

(v) Any regulatory action to place a substance on any official list of carcinogens or toxic or hazardous substances or to place a new health effects value on such list, including the Integrated Risk Information System Database maintained by the Environmental Protection Agency.

(vi) Any guidance, including protocols of general applicability, establishing policy regarding risk assessment or risk characterization.

(C) The terms ''significant risk assessment document'' and ''significant risk characterization document'' shall also include the following:

(i) Any such risk assessment and risk characterization documents provided by a covered Federal agency to the public and which are likely to result in an annual increase in costs of $25,000,000 or more.

(ii) Environmental restoration and waste management carried out by or on behalf of the Department of Defense with respect to any substance other than municipal waste.

(D) Within 15 months after the date of the enactment of this Act, each covered Federal agency administering a regulatory program designed to protect human health, safety, or the environment shall promulgate a rule establishing those additional categories, if any, of risk assessment and risk characterization documents prepared by or on behalf of the covered Federal agency that the agency will consider significant risk assessment documents or significant risk characterization documents for purposes of this title. In establishing such categories, the head of the agency shall consider each of the following:

(i) The benefits of consistent compliance by documents of the covered Federal agency in the categories.

(ii) The administrative burdens of including documents in the categories.

(iii) The need to make expeditious administrative decisions regarding documents in the categories.

(iv) The possible use of a risk assessment or risk characterization in any compilation of risk hazards or health or environmental effects prepared by an agency and commonly made available to, or used by, any Federal, State, or local government agency.

(v) Such other factors as may be appropriate.

(E)(i) Not later than 18 months after the date of the enactment of this Act, the President, acting through the Director of the Office of Management and Budget, shall determine whether any other Federal agencies should be considered covered Federal agencies for purposes of this title. Such determination, with respect to a particular Federal agency, shall be based on the impact of risk assessment documents and risk characterization documents on—

(I) regulatory programs administered by that agency; and

(II) the communication of risk information by that agency to the public.

The effective date of such a determination shall be no later than 6 months after the date of the determination.

(ii) Not later than 15 months after the President, acting through the Director of the Office of Management and Budget, determines pursuant to clause (i) that a Federal agency should be considered a covered Federal agency for purposes of this title, the head of that agency shall promulgate a rule pursuant to subparagraph (D) to establish additional categories of risk assessment and risk characterization documents described in that subparagraph.

(3) EXCEPTIONS.—(A) This title does not apply to risk assessment or risk characterization documents containing risk assessments or risk characterizations performed with respect to the following:

(i) A screening analysis, where appropriately labeled as such, including a screening analysis for purposes of product regulation or premanufacturing notices.

(ii) Any health, safety, or environmental inspections.

(iii) The sale or lease of Federal resources or regulatory activities that directly result in the collection of Federal receipts.

(B) No analysis shall be treated as a screening analysis for purposes of subparagraph (A) if the results of such analysis are used as the basis for imposing restrictions on substances or activities.

(C) The risk assessment principle set forth in section 104(b)(1) need not apply to any risk assessment or risk characterization document described in clause (iii) of paragraph (2)(B). The risk characterization and communication principle set forth in section 105(4) need not apply to any risk assessment or risk characterization document described in clause (v) or (vi) of paragraph (2)(B).

(c) SAVINGS PROVISIONS.—The provisions of this title shall be supplemental to any other provisions of law relating to risk assessments and risk characterizations, except that nothing in this title shall be construed to modify any statutory standard or statutory requirement designed to protect health, safety, or the environment. Nothing in this title shall be interpreted to preclude the consideration of any data or the calculation of any estimate to more fully describe risk or provide examples of scientific uncertainty or variability. Nothing in this title shall be construed to require the disclosure of any trade secret or other confidential information.

SEC. 104. PRINCIPLES FOR RISK ASSESSMENT.

(a) IN GENERAL.—The head of each covered Federal agency shall apply the principles set forth in subsection (b) in order to assure that significant risk assessment documents and all of their components distinguish scientific findings from other considerations and are, to the extent feasible, scientifically objective, unbiased, and inclusive of all relevant data and rely, to the extent available and practicable, on scientific findings. Discussions or explanations required under this

section need not be repeated in each risk assessment document as long as there is a reference to the relevant discussion or explanation in another agency document which is available to the public.

(b) PRINCIPLES.—The principles to be applied are as follows:

(1) When discussing human health risks, a significant risk assessment document shall contain a discussion of both relevant laboratory and relevant epidemiological data of sufficient quality which finds, or fails to find, a correlation between health risks and a potential toxin or activity. Where conflicts among such data appear to exist, or where animal data is used as a basis to assess human health, the significant risk assessment document shall, to the extent feasible and appropriate, include discussion of possible reconciliation of conflicting information, and as relevant, differences in study designs, comparative physiology, routes of exposure, bioavailability, pharmacokinetics, and any other relevant factor, including the sufficiency of basic data for review. The discussion of possible reconciliation should indicate whether there is a biological basis to assume a resulting harm in humans. Animal data shall be reviewed with regard to its relevancy to humans.

(2) Where a significant risk assessment document involves selection of any significant assumption, inference, or model, the document shall, to the extent feasible—

(A) present a representative list and explanation of plausible and alternative assumptions, inferences, or models;

(B) explain the basis for any choices;

(C) identify any policy or value judgments;

(D) fully describe any model used in the risk assessment and make explicit the assumptions incorporated in the model; and

(E) indicate the extent to which any significant model has been validated by, or conflicts with, empirical data.

SEC. 105. PRINCIPLES FOR RISK CHARACTERIZATION AND COMMUNICATION.

Each significant risk characterization document shall meet each of the following requirements:

(1) ESTIMATES OF RISK.—The risk characterization shall describe the populations or natural resources which are the subject of the risk characterization. If a numerical estimate of risk is provided, the agency shall, to the extent feasible, provide—

(A) the best estimate or estimates for the specific populations or natural resources which are the subject of the characterization (based on the information available to the Federal agency); and

(B) a statement of the reasonable range of scientific uncertainties.

In addition to such best estimate or estimates, the risk characterization document may present plausible upper-bound or conservative estimates in conjunction with plausible lower bounds estimates. Where appropriate, the risk characterization document may present, in lieu of a single best estimate, multiple best estimates based on assumptions, inferences, or models which are equally plausible, given current scientific understanding. To the extent practical and appropriate, the document shall provide descriptions of the distribution and probability of risk estimates to reflect differences in exposure variability or sensitivity in populations and attendant uncertainties.

(2) EXPOSURE SCENARIOS.—The risk characterization document shall explain the exposure scenarios used in any risk assessment, and, to the extent feasible, provide a statement of the size of the corresponding population at risk and the likelihood of such exposure scenarios.

(3) COMPARISONS.—The document shall contain a statement that places the nature and magnitude of risks to human health, safety, or the environment in context. Such statement shall, to the extent feasible, provide comparisons with estimates of greater, lesser, and substantially equivalent risks that are familiar to and routinely encountered by the general public as well as other risks, and, where appropriate and meaningful, comparisons of those risks with other similar risks regulated by the Federal agency resulting from comparable activities and exposure pathways. Such comparisons should consider relevant distinctions among risks, such as the voluntary or involuntary nature of risks and the preventability or nonpreventability of risks.

(4) SUBSTITUTION RISKS.—Each significant risk assessment or risk characterization document shall include a statement of any significant substitution risks to human health, where information on such risks has been provided to the agency.

(5) SUMMARIES OF OTHER RISK ESTIMATES.—If—

(A) a commenter provides a covered Federal agency with a relevant risk assessment document or a risk characterization document, and a summary thereof, during a public comment provided by the agency for a significant risk assessment document or a significant risk characterization document, or, where no comment period is provided but a commenter provides the covered Federal agency with the relevant risk assessment document or risk characterization document, and a summary thereof, in a timely fashion, and

(B) the risk assessment document or risk characterization document is consistent with the principles and the guidance provided under this title,

the agency shall, to the extent feasible, present such summary in connection with the presentation of the agency's significant risk assessment document or significant risk characterization document. Nothing in this paragraph shall be construed to limit the inclusion of any comments or material supplied by any person to the administrative record of any proceeding. A document may satisfy the requirements of paragraph (3), (4) or (5) by reference to information or material otherwise available to the public if the document provides a brief summary of such information or material.

SEC. 106. RECOMMENDATIONS OR CLASSIFICATIONS BY A NON-UNITED STATES-BASED ENTITY.

No covered Federal agency shall automatically incorporate or adopt any recommendation or classification made by a non-United States-based entity concerning the health effects value of a substance without an opportunity for notice and comment, and any risk assessment document or risk characterization document adopted by a covered Federal agency on the basis of such a recommendation or classification shall comply with the provisions of this title.

SEC. 107. GUIDELINES AND REPORT.

(a) GUIDELINES.—Within 15 months after the date of enactment of this title, the President shall issue guidelines for Federal agencies consistent with the risk assessment and characterization principles set forth in sections 104 and 105 and shall provide a format for summarizing risk assessment results. In addition, such guidelines shall include guidance on at least the following subjects: criteria for scaling animal studies to assess risks to human health; use of different types of dose-response models; thresholds; definitions, use, and interpretations of the maximum tolerated dose; weighting of evidence with respect to extrapolating human health risks from sensitive species; evaluation of benign tumors, and evaluation of different human health endpoints.

(b) REPORT.—Within 3 years after the enactment of this title, each covered Federal agency shall provide a report to the Congress evaluating the categories of policy and value judgments identified under subparagraph (C) of section 104(b)(2).

(c) PUBLIC COMMENT AND CONSULTATION.—The guidelines and report under this section, shall be developed after notice and opportunity for public comment, and after consultation with representatives of appropriate State, local, and tribal governments, and such other departments and agencies, offices, organizations, or persons as may be advisable.

(d) REVIEW.—The President shall review and, where appropriate, revise the guidelines published under this section at least every 4 years.

SEC. 108. RESEARCH AND TRAINING IN RISK ASSESSMENT.

(a) EVALUATION.—The head of each covered agency shall regularly and systematically evaluate risk assessment research and training needs of the agency, including, where relevant and appropriate, the following:

(1) Research to reduce generic data gaps, to address modelling needs (including improved model sensitivity), and to validate default options, particularly those common to multiple risk assessments.

(2) Research leading to improvement of methods to quantify and communicate uncertainty and variability among individuals, species, populations, and, in the case of ecological risk assessment, ecological communities.

(3) Emerging and future areas of research, including research on comparative risk analysis, exposure to multiple chemicals and other stressors, noncancer endpoints, biological markers of exposure and effect, mechanisms of action in both mammalian and nonmammalian species, dynamics and probabilities of physiological and ecosystem exposures, and prediction of ecosystem-level responses.

(4) Long-term needs to adequately train individuals in risk assessment and risk assessment application. Evaluations under this paragraph shall include an estimate of the resources needed to provide necessary training.

(b) STRATEGY AND ACTIONS TO MEET IDENTIFIED NEEDS.—The head of each covered agency shall develop a strategy and schedule for carrying out research and training to meet the needs identified in subsection (a).

(c) REPORT.—Not later than 6 months after the date of the enactment of this Act, the head of each covered agency shall submit to the Congress a report on the evaluations conducted under subsection (a) and the strategy and schedule developed under subsection (b). The head of each covered agency shall report to the Congress periodically on the evaluations, strategy, and schedule.

SEC. 109. STUDY OF COMPARATIVE RISK ANALYSIS.

(a) IN GENERAL.—(1) The Director of the Office of Management and Budget, in consultation with the Office of Science and Technology Policy, shall conduct, or provide for the conduct of, a study using comparative risk analysis to rank health, safety, and environmental risks and to provide a common basis for evaluating strategies for reducing or preventing those risks. The goal of the study shall be to improve methods of comparative risk analysis.

(2) Not later than 90 days after the date of the enactment of this Act, the Director, in collaboration with the heads of appropriate Federal agencies, shall enter into a contract with the National Research Council to provide technical guidance on approaches to

using comparative risk analysis and other considerations in setting health, safety, and environmental risk reduction priorities.

(b) SCOPE OF STUDY.—The study shall have sufficient scope and breadth to evaluate comparative risk analysis and to test approaches for improving comparative risk analysis and its use in setting priorities for health, safety, and environmental risk reduction. The study shall compare and evaluate a range of diverse health, safety, and environmental risks.

(c) STUDY PARTICIPANTS.—In conducting the study, the Director shall provide for the participation of a range of individuals with varying backgrounds and expertise, both technical and nontechnical, comprising broad representation of the public and private sectors.

(d) DURATION.—The study shall begin within 180 days after the date of the enactment of this Act and terminate within 2 years after the date on which it began.

(e) RECOMMENDATIONS FOR IMPROVING COMPARATIVE RISK ANALYSIS AND ITS USE.—Not later than 90 days after the termination of the study, the Director shall submit to the Congress the report of the National Research Council with recommendations regarding the use of comparative risk analysis and ways to improve the use of comparative risk analysis for decision-making in appropriate Federal agencies.

SEC. 110. DEFINITIONS.

For purposes of this title:

(1) RISK ASSESSMENT DOCUMENT.—The term ''risk assessment document'' means a document containing the explanation of how hazards associated with a substance, activity, or condition have been identified, quantified, and assessed. The term also includes a written statement accepting the findings of any such document.

(2) RISK CHARACTERIZATION DOCUMENT.—The term ''risk characterization document'' means a document quantifying or describing the degree of toxicity, exposure, or other risk posed by hazards associated with a substance, activity, or condition to which individuals, populations, or resources are exposed. The term also includes a written statement accepting the findings of any such document.

(3) BEST ESTIMATE.—The term ''best estimate'' means a scientifically appropriate estimate which is based, to the extent feasible, on one of the following:

(A) Central estimates of risk using the most plausible assumptions.

(B) An approach which combines multiple estimates based on different scenarios and weighs the probability of each scenario.

(C) Any other methodology designed to provide the most unbiased representation of the most plausible level of risk, given the current scientific information available to the Federal agency concerned.

(4) SUBSTITUTION RISK.—The term ''substitution risk'' means a potential risk to human health, safety, or the environment from a regulatory alternative designed to decrease other risks.

(5) COVERED FEDERAL AGENCY.—The term ''covered Federal agency'' means each of the following:

(A) The Environmental Protection Agency.

(B) The Occupational Safety and Health Administration.

(C) The Department of Transportation (including the National Highway Transportation Safety Administration).

(D) The Food and Drug Administration.

(E) The Department of Energy.

(F) The Department of the Interior.

(G) The Department of Agriculture.

(H) The Consumer Product Safety Commission.

(I) The National Oceanic and Atmospheric Administration

(J) The United States Army Corps of Engineers.

(K) The Mine Safety and Health Administration.

(L) The Nuclear Regulatory Commission.

(M) Any other Federal agency considered a covered Federal agency pursuant to section 103(b)(2)(E)

(6) FEDERAL AGENCY.—The term ''Federal agency'' means an executive department, military department, or independent establishment as defined in part I of title 5 of the United States Code, except that such term also includes the Office of Technology Assessment.

(7) DOCUMENT.—The term ''document'' includes material stored in electronic or digital form.

Title II—Analysis of Risk Reduction Benefits and Costs

SEC. 201. ANALYSIS OF RISK REDUCTION BENEFITS AND COSTS.

(a) IN GENERAL.—The President shall require each Federal agency to prepare the following for each major rule within a program designed to protect human health, safety, or the environment that is proposed or promulgated by the agency after the date of enactment of this Act:

(1) An identification of reasonable alternative strategies, including strategies that—

(A) require no government action;

(B) will accommodate differences among geographic regions and among persons with different levels of resources with which to comply; and

(C) employ performance or other market-based mechanisms that permit the greatest flexibility in achieving the identified benefits of the rule.

The agency shall consider reasonable alternative strategies proposed during the comment period.

(2) An analysis of the incremental costs and incremental risk reduction or other benefits associated with each alternative strategy identified or considered by the agency. Costs and benefits shall be quantified to the extent feasible and appropriate and may otherwise be qualitatively described.

(3) A statement that places in context the nature and magnitude of the risks to be addressed and the residual risks likely to remain for each alternative strategy identified or considered by the agency. Such statement shall, to the extent feasible, provide comparisons with estimates of greater, lesser, and substantially equivalent risks that are familiar to and routinely encountered by the general public as well as other risks, and, where appropriate and meaningful, comparisons of those risks with other similar risks regulated by the Federal agency resulting from comparable activities and exposure pathways. Such comparisons should consider relevant distinctions among risks, such as the voluntary or involuntary nature of risks and the preventability or nonpreventability of risks.

(4) For each final rule, an analysis of whether the identified benefits of the rule are likely to exceed the identified costs of the rule.

(5) An analysis of the effect of the rule—

(A) on small businesses with fewer than 100 employees;

(B) on net employment; and

(C) to the extent practicable, on the cumulative financial burden of compliance with the rule and other existing regulations on persons producing products.

(b) PUBLICATION.—For each major rule referred to in subsection (a) each Federal agency shall publish in a clear and concise manner in the Federal Register along with the proposed and final regulation, or otherwise make publicly available, the information required to be prepared under subsection (a).

SEC. 202. DECISION CRITERIA.

(a) IN GENERAL.—No final rule subject to the provisions of this title shall be promulgated unless the agency certifies the following:

(1) That the analyses under section 201 are based on objective and unbiased scientific and economic evaluations of all significant and relevant information and risk assessments provided to the agency by interested parties relating to the costs, risks, and risk reduction and other benefits addressed by the rule.

(2) That the incremental risk reduction or other benefits of any strategy chosen will be likely to justify, and be reasonably related to, the incremental costs incurred by State, local, and tribal governments, the Federal Government, and other public and private entities.

(3) That other alternative strategies identified or considered by the agency were found either (A) to be less cost-effective at achieving a substantially equivalent reduction in risk, or (B) to provide less flexibility to State, local, or tribal governments or regulated entities in achieving the otherwise applicable objectives of the regulation, along with a brief explanation of why alternative strategies that were identified or considered by the agency were found to be less cost-effective or less flexible.

(b) EFFECT OF DECISION CRITERIA.—

(1) IN GENERAL.—Notwithstanding any other provision of Federal law, the decision criteria of subsection (a) shall supplement and, to the extent there is a conflict, supersede the decision criteria for rulemaking otherwise applicable under the statute pursuant to which the rule is promulgated.

(2) SUBSTANTIAL EVIDENCE.—Notwithstanding any other provision of Federal law, no major rule shall be promulgated by any Federal agency pertaining to the protection of health, safety, or the environment unless the requirements of section 201 and subsection (a) are met and the certifications required therein are supported by substantial evidence of the rulemaking record.

(c) PUBLICATION.—The agency shall publish in the Federal Register, along with the final regulation, the certifications required by subsection (a).

(d) NOTICE.—Where the agency finds a conflict between the decision criteria of this section and the decision criteria of an otherwise applicable statute, the agency shall so notify the Congress in writing.

SEC. 203. OFFICE OF MANAGEMENT AND THE BUDGET GUIDANCE.

The Office of Management and Budget shall issue guidance consistent with this title—

(1) to assist the agencies, the public, and the regulated community in the implementation of this title, including any new requirements or procedures needed to supplement prior agency practice; and

(2) governing the development and preparation of analyses of risk reduction benefits and costs.

Title III—Peer Review

SEC. 301. PEER REVIEW PROGRAM.

(a) ESTABLISHMENT.—For regulatory programs designed to protect human health, safety, or the environment, the head of each Federal agency shall develop a systematic program for independent and external peer review required by subsection (b). Such program shall be applicable across the agency and—

(1) shall provide for the creation of peer review panels consisting of experts and shall be broadly representative and balanced and to

the extent relevant and appropriate, may include representatives of State, local, and tribal governments, small businesses, other representatives of industry, universities, agriculture, labor, consumers, conservation organizations, or other public interest groups and organizations;

(2) may provide for differing levels of peer review and differing numbers of experts on peer review panels, depending on the significance or the complexity of the problems or the need for expeditiousness;

(3) shall not exclude peer reviewers with substantial and relevant expertise merely because they represent entities that may have a potential interest in the outcome, provided that interest is fully disclosed to the agency and in the case of a regulatory decision affecting a single entity, no peer reviewer representing such entity may be included on the panel;

(4) may provide specific and reasonable deadlines for peer review panels to submit reports under subsection (c); and

(5) shall provide adequate protections for confidential business information and trade secrets, including requiring peer reviewers to enter into confidentiality agreements.

(b) REQUIREMENT FOR PEER REVIEW.—In connection with any rule that is likely to result in an annual increase in costs of $100,000,000 or more (other than any rule or other action taken by an agency to authorize or approve any individual substance or product), each Federal agency shall provide for peer review in accordance with this section of any risk assessment or cost analysis which forms the basis for such rule or of any analysis under section 201(a). In addition, the Director of the Office of Management and Budget may order that peer review be provided for any major risk assessment or cost assessment that is likely to have a significant impact on public policy decisions.

(c) CONTENTS.—Each peer review under this section shall include a report to the Federal agency concerned with respect to the scientific and economic merit of data and methods used for the assessments and analyses.

(d) RESPONSE TO PEER REVIEW.—The head of the Federal agency shall provide a written response to all significant peer review comments.

(e) AVAILABILITY TO PUBLIC.—All peer review comments or conclusions and the agency's responses shall be made available to the public and shall be made part of the administrative record.

(f) PREVIOUSLY REVIEWED DATA AND ANALYSIS.—No peer review shall be required under this section for any data or method which has been previously subjected to peer review or for any component of any analysis or assessment previously subjected to peer review.

(g) NATIONAL PANELS.—The President shall appoint National Peer Review Panels to annually review the risk assessment and cost assessment practices of each Federal agency for programs designed to protect human health, safety, or the environment. The Panel shall submit a report to the Congress no less frequently than annually containing the results of such review.

Title IV—Judicial Review

SEC. 401. JUDICIAL REVIEW.

Compliance or noncompliance by a Federal agency with the requirements of this Act shall be reviewable pursuant to the statute granting the agency authority to act or, as applicable, that statute and the Administrative Procedure Act. The court with jurisdiction to review final agency action under the statute granting the agency authority to act shall have jurisdiction to review, at the same time, the agency's compliance with the requirements of this Act. When a significant risk assessment document or risk characterization document subject to title I is part of the administrative record in a final agency action, in addition to any other matters that the court may consider in deciding whether the agency's action was lawful, the court shall consider the agency action unlawful if such significant risk assessment document or significant risk characterization document does not substantially comply with the requirements of sections 104 and 105.

Title V—Plan

SEC. 501. PLAN FOR ASSESSING NEW INFORMATION.

(a) PLAN.—Within 18 months after the date of enactment of this Act, each covered Federal agency (as defined in title I) shall publish a plan to review and, where appropriate revise any significant risk assessment document or significant risk characterization document published prior to the expiration of such 18-month period if, based on information available at the time of such review, the agency head determines that the application of the principles set forth in sections 104 and 105 would be likely to significantly alter the results of the prior risk assessment or risk characterization. The plan shall provide procedures for receiving and considering new information and risk assessments from the public. The plan may set priorities and procedures for review and, where appropriate, revision of such risk assessment documents and risk characterization documents and of health or environmental effects values. The plan may also set priorities and procedures for review, and, where appropriate, revision or repeal of major rules promulgated prior to the expiration of such period. Such priorities and procedures shall be based on the potential to more efficiently focus national economic resources within Federal regulatory programs designed to protect human health, safety, or the environment on the most important priorities and on such other factors as such Federal agency considers appropriate.

(b) PUBLIC COMMENT AND CONSULTATION.—The plan under this section, shall be developed after notice and opportunity for public comment, and after consultation with representatives of appropriate State, local, and tribal governments, and such other departments and agencies, offices, organizations, or persons as may be advisable.

Title VI—Priorities

SEC. 601. PRIORITIES.

(a) IDENTIFICATION OF OPPORTUNITIES.—In order to assist in the public policy and regulation of risks to public health, the President shall identify opportunities to reflect priorities within existing Federal regulatory programs designed to protect human health in a cost-effective and cost-reasonable manner. The President shall identify each of the following:

(1) The likelihood and severity of public health risks addressed by current Federal programs.

(2) The number of individuals affected.

(3) The incremental costs and risk reduction benefits associated with regulatory or other strategies.

(4) The cost-effectiveness of regulatory or other strategies to reduce risks to public health.

(5) Intergovernmental relationships among Federal, State, and local governments among programs designed to protect public health.

(6) Statutory, regulatory, or administrative obstacles to allocating national economic resources based on the most cost-effective, cost-reasonable priorities considering Federal, State, and local programs.

(b) BIENNIAL REPORTS.—The President shall issue biennial reports to Congress, after notice and opportunity for public comment, to recommend priorities for modifications to, elimination of, or strategies for existing Federal regulatory programs designed to protect public health. Within 6 months after the issuance of the report, the President shall notify the Congress in writing of the recommendations which can be implemented without further legislative changes and the agency shall consider the priorities set forth in the report when preparing a budget or strategic plan for any such regulatory program.

The CHAIRMAN. The bill will be considered for amendment under the 5-minute rule for a period not to exceed 10 hours.

Are there any amendments to the bill?

AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. BROWN OF CALIFORNIA

Mr. BROWN of California. Mr. Chairman, I offer an amendment in the nature of a substitute.

The Clerk read as follows:

Amendment in the nature of a substitute offered by Mr. BROWN of California:

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Regulatory Reform Act of 1995''.

SEC. 2. PURPOSES.

The purposes of this Act are the following:

(1) To direct the head of each covered agency to establish appropriate regulatory priorities among regulatory initiatives based on the seriousness of the risks to be addressed and available resources, and other appropriate factors.

(2) To require the head of each covered agency to conduct a risk assessment and cost benefit analysis for all major rules.

(3) To require the head of each covered agency to—

(A) oversee the development, periodic revision, and implementation of risk assessment guidelines throughout the covered agency, which reflect scientific advances;

(B) provide for appropriate scientific peer review of and public comment on risk assessment guidelines and for peer review of risk assessments and cost-benefit analyses throughout the process of development and implementation;

(C) develop risk characterization guidance and oversee its implementation in order to communicate an accurate description of the full range of risks and uncertainties; and

(D) identify, prioritize, and conduct research and training needed to advance the science and practice of risk assessment and cost-benefit analysis.

(4) To establish a study to improve comparative risk analysis and to direct the Office of Science and Technology Policy to establish an interagency coordinating process to promote more compatible risk assessment procedures across Federal agencies.

SEC. 3. ESTABLISHING AGENCY PRIORITIES.

(a) PRIORITIES FOR REGULATION.—Each covered agency shall establish, after notice and opportunity for comment, priorities for regulatory purposes among threats to human health, safety, and the environment according to—

(1) the seriousness of the risk they pose;

(2) the opportunities available to achieve the greatest overall net reduction in those risks with the public and private resources available; and

(3) other factors as appropriate.

(b) REPORT.—Each covered agency shall submit an annual report to Congress setting forth the agency's regulatory priorities. The report shall recommend priorities, consistent with otherwise applicable law, for the use of resources available to the agency to reduce those risks in accordance with the priorities established under subsection (a), including strategic planning and research activities of the agency. The report shall also explain any statutory priorities which are inconsistent with the priorities established according to the factors set forth in this section.

SEC. 4. ANALYSIS OF RISKS, BENEFITS, AND COSTS.

For all major rules protecting human health, safety, or the environment, the head of each covered agency shall—

(1) conduct a risk assessment and cost-benefit analysis that uses sound scientific, technical, economic, and other data. Such an analysis shall be conducted with as much specificity as practicable, of—

(A) the risk to human health, safety, or the environment, and any combination thereof, addressed by the rule, including, where applicable and practicable, the health and safety risks to persons who are disproportionately exposed or particularly sensitive, including children, the elderly, and disabled individuals;

(B) the costs, including the incremental costs, associated with implementation of, and compliance with, the rule;

(C) the quantitative or qualitative benefits of the rule, including the incremental benefits, reduction or prevention of risk, or other benefits expected from the rule; and

(D) where appropriate and meaningful, a comparison of that risk relative to other similar risks, regulated by that Federal agency or another Federal agency, resulting from comparable activities and exposure pathways (such comparisons should consider relevant distinctions among risks, such as the voluntary or involuntary nature of risks, and the preventability and nonpreventability of risks); and

(2) include with the rule a statement that, to the extent consistent with otherwise applicable law—

(A) the rule will substantially advance the purpose of protecting against the risk referred to in paragraph (1)(A);

(B) the rule will produce benefits and reduce risks to human health, safety, or the environment, and any combination thereof, in a cost-effective manner taking into account the costs of the implementation of and compliance with the rule, by local, State, and Federal Government and other public and private entities;

(C) the benefits, quantitatively or qualitatively, will be likely to justify the costs; and

(D) the most cost-effective option allowed by the statute under which the rule is promulgated has been employed, or if such option has not been employed, the head of the agency shall include a summary of the analysis justifying why it is not employed.

SEC. 5. RISK ASSESSMENT GUIDELINES.

(a) FUNCTIONS OF THE AGENCY HEAD.—The head of each covered agency shall ensure that any risk assessments conducted by the agency are performed in accordance with risk assessment guidelines issued by the agency head under subsection (b) and use relevant, reliable, and reasonably available data.

(b) ISSUANCE OF RISK ASSESSMENT GUIDELINES.—

(1) IN GENERAL.—The head of each covered agency shall develop and publish in the Federal Register risk assessment guidelines that provide appropriate consistency and technical quality among risk assessments performed by the agency.

(2) PROCEDURES FOR PUBLISHING GUIDELINES.—Before issuing guidelines under this subsection, the head of a covered agency shall—

(A) publish notice of intent to revise as appropriate existing guidelines or to develop new guidelines and a list of the issues the agency head intends to address and upon which the agency head seeks public comment;

(B) publish all proposed guidelines for the purpose of seeking public comment; and

(C) conduct scientific peer review of such guidelines.

(3) REVIEW AND UPDATES.—Not less than once every 3 years, the head of a covered agency shall review and, as necessary, update guidelines issued under this subsection.

(4) PROCEDURES FOR REVIEW OF RISK ASSESSMENTS.—Within 1 year after the date of the enactment of this Act, the head of each covered agency shall develop and publish procedures for the review of significant new information made available to the agency relative to risk assessments performed by the agency that are (or if this Act had been in effect would have been) covered by section 4.

(c) USE OF GUIDELINES.—The agency head shall ensure—

(1) consistency in the use of such guidelines to the extent such consistency is appropriate;

(2) that risk assessments are scientifically supportable; and

(3) that significant uncertainties regarding facts, scientific knowledge, and the validity of analytical techniques, or numerical risk estimates are clearly disclosed in terms readily understandable to the public.

(d) CONTENTS.—Risk assessments conducted by the Agency should be carried out at a level of effort and accuracy appropriate to the decision being made and the need for accuracy of the risk estimate and should be conducted according to risk assessment guidelines that include:

(1) An explanation of the scope and applicability of the guidelines, including appropriate limitations or restrictions on their use.

(2) Criteria for accepting and evaluating data.

(3) A complete description of any mathematical models or other assumptions used in the risk assessment, including a discussion of their validation, limitations and plausibility.

(4) A description of the default options, the scientific justification supporting the default options, and an explicit statement of the rationale for selecting a particular default option, in the absence of adequate data, based on explicitly stated science policy choices and consideration of relevant scientific information.

(5) The technical justification for, and a description of the degree of conservatism each model selection, default option, or assumption imposes upon the risk assessment.

(6) Criteria for conducting uncertainty analysis during the course of the risk assessment, and an explanation of the data needs for such analysis.

(e) REGIONAL COMPLIANCE.—The regional offices of each agency shall comply with, and follow, the risk assessment guidelines and policies established by the head of the agency. Where credible information has been received from an affected party that a region is violating such guidelines, the head of the agency shall examine the information and resolve the matter.

SEC. 6. RISK CHARACTERIZATION.

(a) IN GENERAL.—The head of each covered agency shall ensure that all risk assessments required by section 4, and the risk characterizations that are components of such assessments, make apparent the distinction between data and policy assumptions to facilitate interpretation and appropriate use of the characterization by decisionmakers.

(b) CONTENTS.—

(1) IN GENERAL.—As scientifically appropriate, such risk characterizations shall contain the following:

(A) Relevant information on data selection and rejection in the risk assessment, including a specific rationale justifying the basis for the selection or rejection, and the influence of the selection or rejection on the risk estimate.

(B) Identification of significant limitations, assumptions, and default options included in the risk assessment and the rationale and extent of scientific support for their use.

(C) A discussion of significant uncertainties and data gaps and their influence upon the risk assessment.

(2) QUANTITATIVE ESTIMATES OF CERTAIN RISKS.—As scientifically appropriate, any such risk characterization that includes quantitative estimates of carcinogenic risk shall contain the following:

(A) The range and distribution of exposures derived from exposure scenarios used in the risk assessment of which the risk characterization is a component, including upper bound estimates and central estimates and, when appropriate and practicable, the identification of susceptible groups, species, and subpopulations, including children, the elderly, and disabled individuals, or groups whose exposure exceeds the general population.

(B) A description of appropriate statistical expressions of the range and variability of the risk estimate, including the population or populations addressed by any risk estimates, central estimates of risk for each such specific population, any appropriate upper bound estimates, the reasonable range, or other description of uncertainties in the risk characterization which is contained in the risk assessment.

To the extent the types of information referred to in subparagraphs (A) and (B) are scientifically appropriate for risk characterizations other than for carcinogenic risks, such characterizations shall include such information. As other scientifically appropriate methods are developed for quantitatively estimating carcinogenic risks, such methods may be used in lieu of the methods described in subparagraphs (A) and (B).

SEC. 7. PEER REVIEW.

(a) ESTABLISHMENT.—For regulatory programs addressing human health, safety, or the environment, the head of each Federal agency shall develop a systematic program for peer review of risk assessments used by the agency. Such program shall be applicable across the agency and—

(1) shall provide for peer review by independent and well-qualified experts;

(2) to the extent a peer review panel is used, the panel shall be broadly representative and balanced to the extent feasible;

(3) may provide for differing levels of peer review depending on the significance or the complexity of the problems or the need for expeditiousness;

(4) shall exclude peer reviewers who are associated with entities that may have a financial interest in the outcome unless such interest is disclosed to the agency and the agency has determined that such interest will not reasonably be expected to create a bias in favor of obtaining an outcome that is consistent with such interest;

(5) shall result in the appointment of peer reviewers who are qualified on the basis of their professional training or expertise as reflected in their record of peer-reviewed publications or equivalent;

(6) may provide specific and reasonable deadlines for peer review comments; and

(7) shall provide adequate protections for confidential business information and trade secrets, including requiring peer reviewers to enter into confidentiality agreements.

(b) REQUIREMENT FOR PEER REVIEW.—Each Federal agency shall provide for appropriate peer review of scientific information used for purposes of any risk assessment required by section 4. For any such risk assessment, the head of a covered agency shall provide a written response to comments made by the peer reviewers. The response shall indicate that the agency head explicitly considered the comments, the degree to which such comments have been incorporated into the risk assessment guidelines or risk assessment, as applicable, and the reason why a comment has not been incorporated.

(c) AVAILABILITY TO PUBLIC.—For all peer review to which this section applies, a summary of all peer review comments or conclusions and any response of the agency shall be made available to the public.

(d) PREVIOUSLY REVIEWED DATA AND ANALYSIS.—No peer review shall be required under this section for any data or analysis which has been previously subjected to peer review or for any component of any evaluation or assessment previously subjected to peer review.

(e) REPORTS.—Not later than 180 days after the date of the enactment of this Act, the head of each covered agency shall submit to the Congress a report on a plan for conducting peer review under this section, and shall also report to the Congress whenever significant modifications are made to the plan.

SEC. 8. REVIEW OF AGENCY COMPLIANCE.

During the 3-year period beginning 1 year after the date of the enactment of this Act, the Comptroller General of the United States shall annually conduct a review to determine the extent of compliance by each covered Federal agency with the provisions of this Act and shall annually submit to Congress a report on such review.

SEC. 9. RESEARCH AND TRAINING IN RISK ASSESSMENT.

(a) EVALUATION.—The head of each covered agency shall regularly and systematically evaluate risk assessment research and training needs of the agency, including the following:

(1) Research to reduce data gaps or redundancies, address modelling needs (including improved model sensitivity), and validate default options, particularly those common to multiple risk assessments.

(2) Research leading to improvement of methods to quantify and communicate uncertainty and variability throughout risk assessment, and risk assessment reporting methods that clearly distinguish between uncertainty and variability.

(3) Research to examine the causes and extent of variability within and among individuals, species, populations, and, in the case of ecological risk assessment, ecological communities.

(4) Emerging and future areas of research, including research on comparative risk analysis, exposure to multiple chemicals and other stressors, noncancer endpoints, biological markers of exposure and effect, mechanisms of action in both mammalian and nonmammalian species, dynamics and probabilities of physiological and ecosystem exposures, and prediction of ecosystem-level responses.

(5) Long-term needs to adequately train individuals in risk assessment and risk assessment applications. Evaluations under this paragraph shall include an estimate of the resources needed to provide necessary training and recommendations on appropriate educational risk assessment curricula.

(b) STRATEGY AND ACTIONS TO MEET IDENTIFIED NEEDS.—The head of each covered agency shall develop a strategy, schedule, and delegation of responsibility for carrying out research and training to meet the needs identified in subsection (a) consistent with available resources.

(c) REPORT.—Not later than 6 months after the date of the enactment of this Act, the head of each covered agency shall submit to the Congress a report on the evaluations conducted under subsection (a) and the strategy and schedule developed under subsection (b). The head of each covered agency shall report to the Congress whenever the evaluations, strategy, and schedule are updated or modified.

SEC. 10. STUDY OF COMPARATIVE RISK ANALYSIS.

(a) IN GENERAL.—The Director of the Office of Science and Technology Policy shall conduct, or provide for the conduct of, a study of the methods for conducting comparative risk analysis of health, safety, and environmental risks, and to provide a common basis for evaluating strategies for reducing, or preventing those risks. The goal of the study shall be to survey and rigorously evaluate methods of comparative risk analysis.

(b) STUDY PARTICIPANTS.—In conducting the study, the Director shall provide for the participation of a range of individuals with varying backgrounds and expertise, both technical and nontechnical, comprising broad representation of the public and private sectors.

(c) REPORT.—Not later than 90 days after the termination of the study, the Director shall submit to the Congress a report on the results of the study referred to in subsection (a).

SEC. 11. INTERAGENCY COORDINATION.

To promote the conduct, application, and practice of risk assessment in a consistent manner under Federal and to identify risk assessment data needs common to more than one Federal agency, the Director of the Office of Science and Technology Policy shall—

(1) periodically survey the manner in which each Federal agency involved in risk assessment is conducting such risk assessment to determine the scope and adequacy of risk assessment practices in use by the Federal Government;

(2) provide advice and recommendations to the President and the Congress based on the surveys conducted and determinations made under paragraph (1);

(3) establish appropriate interagency mechanisms to promote coordination among Federal agencies conducting risk assessment with respect to the conduct, application, and practice of risk assessment and to promote the use of state-of-the-art risk assessment practices throughout the Federal Government;

(4) establish appropriate mechanisms between Federal and State agencies to communicate state-of-the-art risk assessment practices; and

(5) periodically convene meetings with State government representatives and Federal and other leaders to assess the effectiveness of Federal-State cooperation in the development and application of risk assessment.

SEC. 12. SAVINGS PROVISION.

Nothing in this Act shall be construed to modify any statutory standard or requirement designed to protect health, safety, or the environment or shall delay any action required to meet a deadline imposed by a statute or a court.

SEC. 13. DEFINITIONS.

For the purposes of this Act:

(1) The term ''major rule'' means any rule (as that term is defined in section 551(4) of title 5, United States Code) that is likely to result in an annual effect on the economy of $100,000,000 or more.

(2) The term ''risk assessment'' means a process that uses a factual base to—

(A) identify, characterize, and to the extent practicable and appropriate, quantify or describe the potential adverse effects of exposure of individuals, populations, habitats, ecosystems, or materials to hazardous pollutants or other stressors; and

(B) to the extent practicable and appropriate, identify and characterize important uncertainties.

(3) The term ''risk characterization'' means the final component of a risk assessment, that qualitatively or quantitatively (or both) describes the magnitude and consequences of that risk in terms of the population exposed to the risk and the types of potential effects of exposure.

(4) The term ''covered agency'' means each of the following:

(A) The Environmental Protection Agency.

(B) The Consumer Product Safety Commission.

(C) The Department of Labor (including the Occupational Health and Safety Administration).

(D) The Department of Transportation.

(E) The Department of Energy.

(F) The Department of Agriculture.

(G) The Department of the Interior.

(H) The Food and Drug Administration.

SEC. 14. EXCEPTIONS.

This Act does not apply to risk assessments or risk characterizations performed with respect to either of the following:

(1) A situation that the head of the agency considers to be an emergency.

(2) A situation the head of the agency considers to be reasonably expected to cause death or serious injury or illness to humans, or substantial endangerment to private property or the environment unless prompt action is taken to avoid death or to avoid or mitigate serious injury or illness to humans, or substantial endangerment to private property or the environment.

SEC. 15. JUDICIAL REVIEW.

Nothing in this Act creates any right to judicial or administrative review, nor creates any right or benefit, substantive or procedural, enforceable at law or equity by a party against the United States, its agencies or instrumentalities, its officers or employees, or any other person. If an agency action is subject to judicial or administrative review under any other provision of law, the adequacy of any document prepared pursuant to this Act, and any alleged failure to comply with this Act, may not be used as grounds for affecting or invalidating such agency action, but statements and information prepared pursuant to this Act which are otherwise part of the record, may be considered as part of the record for the judicial or administrative review conducted under such other provision of law.

SEC. 16. UNFUNDED MANDATES.

Nothing in this Act shall create an obligation or burden on any State or local government or otherwise impose any financial burden any State or local government. Nothing in this Act shall force a State to change its laws.

Mr. BROWN of California (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be

considered as read and printed in the RECORD.

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

There was no objection.

Mr. BROWN of California. Mr. Chairman, I will use a very brief portion of the time and then yield to my cosponsor, the gentleman from Ohio [Mr. BROWN].

Mr. Chairman, this amendment was drafted after considerable discussion of the major problems of this bill which have been pointed out during general debate. It seeks to reflect the views of those who have expressed concerns about the workability of the bill, including Members on both sides, and we believe that the substitute is a considerable improvement over the original bill, and we elaborate on that during further debate.

Mr. BROWN of Ohio. Mr. Chairman, will the gentleman yield?

Mr. BROWN of California. I yield the remainder of my time to the gentleman from Ohio.

Mr. BROWN of Ohio. Mr. Chairman, I rise in strong support of the Brown-Brown substitute amendment to H.R. 1022. This substitute provides a common sense approach to risk assessment without creating a lawyers' paradise. It ensures that public health and safety will continue to be protected. At the same time it enhances the decision-making process to ensure that our resources are spent on our most critical prioritized needs.

Risk assessment and management provide valuable tools with which we can identify the most critical threats to health and safety of Americans and establish a system of priorities to address these problems. In time of scarce resources, it is essential that we plan appropriately and demand sufficient information to make decisions based on sound science. Risk assessment can help us do that.

Risk assessment practices, however, must not in and of themselves become a burdensome process. This bill as currently drafted is loaded with unintended consequences and will effectively derail the last 25 years of accomplishments in protecting the public's health and safety.

I remember when parts of Lake Erie were dead. Today my daughter can swim in Lake Erie. I remember when the Cuyahoga River was on fire. Today it is an essential water route for interstate commerce.

We have in this country the cleanest air, the safest drinking water, the purest food, the safest consumer products in the world. It is not an accident we were able to do that by working together with Government and business and regulations and making sure that those products were safe, the water was clean, the food was pure and the air was clean. Citizens of northeast Ohio continue to be concerned about the high rates of breast and prostate cancer in that part of the State. They believe the cause could be the pollutants of a previous day. Did we address the most serious concerns when we cleaned up Lake Erie or cleaned up the Cuyahoga River? We do not know. We should find out. Risk assessment and analysis can help us do that without it becoming the lawyers' for employment act.

Listen to some of the comments, Mr. Chairman, that have been made about this legislation. A former Republican chairman of the Senate Environment and Public Works Committee said this legislation would shift the financial, legal and moral burden of dealing with pollution from the polluters to the victims.

A former Republican EPA Administrator under Presidents Bush and Reagan said the proposal would render the Nation's environmental laws by and large unworkable and unpredictable by creating a procedural nightmare and endless litigation. More bureaucracy, more lawyers, more government.

The Natural Resources Defense Council report said the bill would dismantle laws that have worked, would block improvements to public health, would pay polluters to bloat the deficit and would dramatically increase bureaucracy and litigation.

Mr. Chairman, the evidence is overwhelming that this legislation would have enormous unintended consequences for the public health and safety of all Americans. Twenty-four Members of the House, a dozen Republicans and a dozen Democrats signed a ''Dear Colleague'' letter to urge Members to think this legislation through and to address three major concerns about the bill. Our substitute addresses these concerns in a way that does not diminish the science of risk assessment, which I support, or create endless bureaucracies or litigation.

Our substitute is patterned after a Republican proposal of 2 years ago. It is a reasonable alternative. It is a strong risk assessment bill without bureaucracy, without more lawyers, without more government, and without the unintended consequences that the authors of this bill have not foreseen because of the quick way in which it passed the committee.

Mr. Chairman, I ask Members of the House to look carefully at the substitute. The substitute makes sense. It is a reasonable middle-of-the-road, down-the-middle approach. I ask support for the Brown-Brown substitute.

Mr. WALKER. Mr. Chairman, I rise to oppose the amendment.

Mr. Chairman, I am glad we got this amendment out here first because it is a good way of kind of delineating the debate.

This is the status quo amendment. This is keep things as they are, do not change regulations.

The gentleman from Ohio has just given Members this explanation. He thinks the things that have been done in the name of regulation have in fact been beneficial to the country. In fact, there are some things that have been done in the name of regulation have in fact been beneficial to the country. In fact, there are some things that have been beneficial, but the fact is that we have regulations run amok at the present time too that need to have some handle on them, and we need to get the good science, and we need to have common sense prevail.

Under the Brown substitute what we have is an opportunity for the regulators to continue to do exactly what they have been doing. Since we had such a discussion about process out here a few minutes ago with the gentleman from Michigan and the gentleman from California criticizing the process, I must say we have not had much of a chance to review this substitute, since I only got it at 6 o'clock, which means about 25 minutes ago we actually got a chance to see this amendment in the nature of a substitute. In other words, this is the whole bill, folks. We are trying to take one whole bill and substitute it. At least even under their scenario we gave them a couple of hours. We got 25 minutes.

But let me say that we have had a chance to look at a few things here, and it does give one a little bit of cause to be suspicious if in fact we had had the idea that we were going to really change regulations. For example, it changes a major rule from an annual impact of $25 to $100 million. Guess what that does? That wipes out virtually all of the business of finding regulation. One hundred dollars' worth of impact means you have $100 million dollars' worth of impact in the economy. No small business is likely to have something that is 100 million dollars' worth of impact. Service station operators, dry cleaners, all of these folks across the country that have been hit hard by Federal regulation would not even qualify under this bill. All the big businesses like General Motors and so on, yes, they might come under, and their lobbyists will not be all that unhappy with all of that by the big lobbying community. But the little guy, the little guy is going to be affected by this.

So guess what? This bill that they have brought before us now is the big guys versus the little guys, and the little guys come down on the side of our amendment that says $25 million worth of impact.

I also was interested to look at the language that dealt with how we were going to compare risk. In other words, what our bill says is you ought to compare risk to the thing that the general public has knowledge of, drinking a glass of orange juice, riding in a car, things that the public really understands, you ought to compare that.

Here is the language they substitute though for that kind of thing, listen to this language, Members will love it. If

this is not a regulator's dream or a litigator's dream, I do not know what is. Listen to this:

> Where appropriate and meaningful, a comparison of that risk relative to other similar risks, regulated by that Federal agency or another Federal agency, resulting from comparable activities and exposure pathways (such comparisons should consider relevant distinctions among risks, such as the voluntary or involuntary nature of risks, and the preventability and nonpreventability of risks).

Now what the devil does that mean? I do not know. No one knows. It is just one more way of making certain that regulation stays right where it is.

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You know, you put in a bill risk ought to be compared to that that the public knows. Then they come up with that kind of junk.

Now, it seems to me that what you want to do is just turn down this substitute flat.

The other thing that is does is it says that we are not going to have any judicial or administrative review. Now, what that means is that if in fact you have a regulation issued that the Department thinks is fine, you have no appeal after that. The Department issues the regulation, and nothing can be done about it because, in their substitute, they wipe out the ability to have any kind of administrative or judicial review.

You know, even under the Administrative Procedures Act at the present time there is at least a process for doing this. They wipe that out. Here is the language. They say, ''Nothing in the title creates any right to judicial or administrative review.'' You cannot even do what people can do now in terms of going back to the agencies under what they have created here. This is really a bad bill. This is the kind of thing that says, ''Regulators, do whatever you want. If you have been down there regulating an industry and so on, if you have been regulating people out of business, you go right ahead and keep doing it.''

All of this talk that we heard during the general debate, ''We agree with the intent of this legislation, and we would love to do something that would help,'' this is their idea of what it is. This is their substitute. This substitute makes the situation worse. It does not help the situation. This destroys exactly what we are attempting to do with the bill here on the floor.

So I would suggest that if ever you wanted to cast a big ''no'' vote, if ever you wanted to stand up and say, ''Let us stop regulation from batting down the American people,'' vote ''no'' on this substitute. This substitute is really bad news.

Mr. DINGELL. Mr. Chairman, I rise in support of the amendment.

(Mr. DINGELL asked and was given permission to revise and extend his remarks.)

Mr. DINGELL. Mr. Chairman, I would just note for the benefit of the last speaker that this bill was gotten to the House more quickly than any of the various and sundry substitutes which the gentleman was presenting to us after moonlight discussions with other Members on that side of the aisle. So if you are concerned about the time that we have had in terms of having this available to us, we have done better than has the gentleman from Pennsylvania.

Now, the gentleman complains about the language he read. That is language out of legislation that passed the House last year relative to exactly the kind of thing we are trying to do, and that is to set in place risk assessment. It also is language which is very close to the language that is in the bill that the gentleman has submitted to us, and I can understand, with the haste that the gentleman from Pennsylvania has crafted these different sundry substitutes that we have been confronting over time without opportunity to read them, that he may not have had full enough time to read his own bill so he really does not understand what is there.

Having said that, the effects of the basic legislation will be seen in many ways. One is with regard to a final rule which is anticipated by December 1995 with regard to safety on commuter airlines. As we all know, commuter airline safety is open to question, and that a fatal commuter accident in North Carolina caused the Secretary of Transportation to announce a commuter safety program would be fast-tracked. The fast-tracking of that commuter safety airline legislation or, rather, regulation which will address very specifically pilot training and crew rest requirements would be sidetracked by the language of the bill but not by the amendment which is put forward.

FAA has plenary authority to take actions necessary for airline safety. But that plenary authority will be effectively delayed by this matter.

Having said those things, the airline safety rule will exceed the $100 million cost threshold established in title III. FAA will have to peer review any risk or cost analysis which forms the basis for action under this.

Never before have we had risk assessment or cost-benefit in rules of these kinds, and the reason was very important. FAA exists to assure that there be safety of the American airline traveling public. That safety will be substantially denigrated and severely jeopardized by the bill unless the amendment is adopted.

Similar situations with regard to PCB control regulations, those which are actively sought by legislation, will be sidetracked and will cost industry and the American economy billions of dollars in additional disposable costs and will rob industry of flexibility and opportunity to become more competitive through relaxation of current situations which they find unacceptable.

H.R. 1022 is a very simple thing. It is a political campaign statement which is now being turned into bad law, and it is being done so in the most extraordinary of haste, the idea being to meet some curious 100-day deadline which relates not to the well-being of the American people but to simply the keeping of some kind of political statement.

The amendment should be adopted, or the bill should be rejected, and the safety and the well-being of the American people, the protection of their environment will, indeed, be better served by that course.

I urge my colleagues to adopt the amendment.

Mr. BROWN of California. Mr. Chairman, will the gentleman yield?

Mr. DINGELL. I yield to the gentleman from California.

Mr. BROWN of California. Mr. Chairman, I ask the gentleman from Michigan [Mr. DINGELL], did I understand you correctly that the language on comparative risk assessment is the same language that passed the House and Senate and was signed into law last year in the Agricultural Reorganization Act?

Mr. DINGELL. The gentleman is correct in that statement.

Mr. BROWN of California. And the $100 million cap the gentleman from Pennsylvania [Mr. WALKER] referred to is the same in the Reagan and Bush Executive orders?

Mr. DINGELL. That is also correct. The $100 million is exactly the same as was in the Executive orders brought forward by Presidents Bush and Reagan.

Mr. OXLEY. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I am particularly concerned about providing a double standard, one for the regulators and another for everybody else.

Let me read to you and the Members the language on compliance in the Brown squared substitute. It says:

> During a 3-year period beginning 1 year after the date of enactment of this act, the Comptroller General of the United States shall annually conduct a review to determine the extent of compliance by each covered Federal agency with the provision of this act and shall annually submit to Congress a report on such review.

Essentially what we are saying is that the regulators can have their usual run at regulating with only apparently a drive-by windshield effort by the Comptroller to do that. That double standard, coupled with the lack of judicial review in the Brown squared substitute, would indicate that this is a very weak provision at best.

Judicial review in the Brown substitute:

> Nothing in this act creates any right to judicial or administrative review or creates any right or benefit, substantive or procedural, enforceable at law or equity by a party against the United States, its agencies

or instrumentalities, its officers or employees or any other person. The adequacy of any document prepared pursuant to this act, and any alleged failure to comply with this act may not be used as grounds for affecting or invalidating such agency action.

It is business as usual, folks, with all the regulators. They are just free and wild.

Mr. WALKER. Mr. Chairman, will the gentleman yield?

Mr. OXLEY. I yield to the gentleman from Pennsylvania.

Mr. WALKER. The gentleman makes an excellent point. If you go down and look in the contents section on page 7 of the substitute, you find exactly the same thing the gentleman is talking about. It says here,

Risk assessments conducted by the agency should be carried out on a level of effort and accuracy appropriate to the decision being made and the need for accuracy of the risk assessment and should be conducted according to risk-assessment guidelines.

What that means is the bureaucrats are going to decide whether or not the bureaucrats are right. The regulators are going to decide whether or not the regulators are right. You know, it is really an attempt here to say whatever the regulators want, the regulators get.

Mr. OXLEY. I thank the gentleman for his comments, because that is exactly right, and it is the same old story, and the same old game, and the regulators will continue to regulate, and nobody is going to be able to check them unless we defeat this substitute.

Now, Mr. Chairman, I have a list here of the Alliance for Reasonable Regulation, and I have a list of 35 organizations and companies throughout this country, everybody from Goodyear all the way down to small operations, and this includes the National Federation of Independent Business, NFIB. that supports our legislation and opposes any weakening efforts like the Brown substitute.

I want to make certain that the Members understand that it is not just the major companies but small businesses throughout this country that are finally coming to realize that they are being put upon by these massive regulatory burdens that have cost us jobs and our competitiveness throughout the world, and that is really important to understand.

I also want to point out, Mr. Chairman, that we want to maintain the $25 million threshold. We think that one of the major weaknesses in the Brown provision is to raise this threshold to $100 million.

Now, I do not know about the Members on the other side of the aisle, but I know to a lot of people that we represent in small businesses and the like, $25 million is an awful lot of money, and while we may spill that much before breakfast around here in Washington, the fact is that is an important threshold that we want to maintain in the legislation that came out of our committee as well as came out of the committee of the gentleman from Pennsylvania [Mr. WALKER].

Mr. WALKER. If the gentleman will yield further, I was interested to hear the discussion on the other side that the Executive orders of the Bush and Reagan administrations were at the $100 million level. I wonder if there is anybody who in this Chamber believes that the Bush and Reagan administrations got the regulatory process under control. I mean, the fact is the $100 million did not work. It did not result in the regulatory process being gotten under control.

In fact, we had a discussion out here earlier today about the mess that was made during the 1980's of the asbestos policy, and that was done under the Reagan administration, and it may, in fact, be a perfect example of why the $100 million limit of those executive orders was the wrong limit.

Mr. BROWN of California. Mr. Chairman, will the gentleman yield?

Mr. OXLEY. I yield to the gentleman from California.

Mr. BROWN of California. Mr. Chairman, I do not want to impose on the gentleman's time. I can get someone on our side to do it. If the gentleman would like to have me comment as he proceeds, I would like to do it.

I wanted to point out that the $100 million figure which exists in all past Executive orders captures 97 percent of all the economic impact of regulations on the American public.

Mr. OXLEY. Reclaiming my time, the gentleman from Pennsylvania had it right, that is, it just did not get the job done. One hundred million dollars is not going to get the job done. There are a lot of people in my district and other districts around here who are very concerned about $100 million. They think $25 million makes a lot of sense and so do I.

Mr. MANTON. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the Brown substitute.

Mr. Chairman, the Brown substitute offers Members a chance to vote for meaningful regulatory reform without endangering the public's health and safety. Furthermore, unlike H.R. 1022, this substitute would not expand judicial review of agency decisionmaking.

My colleagues who historically have expressed concerns that legislation passed by this Congress is ill-suited to real world applications should be troubled that H.R. 1022 would implement a one-size fits all risk assessment scheme. By contrast, the Brown substitute would require each agency to issue scientifically sound risk assessment guidelines with criteria specifically tailored to fit the agency's area of expertise. Thus, in contrast to H.R. 1022, the Brown substitute would require federal agencies to use the most useful scientific data available to complete risk assessment.

I strongly believe we should establish a balanced approach to environmental concerns. I have tried to represent the views of my constituents who have told me they want a clean environment but also less government regulation. I also share the frustration of many of my colleagues about ill-conceived and unduly burdensome regulations which have been issued by the EPA as well as other agencies. It is therefore tempting to support this bill because it will slow down the regulatory process and perhaps lead to less regulation.

However, simply reducing the amount of regulations promulgated by the Government is not the answer to our current problems.

We need a regulatory process that better reflects simple common sense and that is carefully targeted to protect public health and promote free market competition.

That is why I believe risk assessment and cost benefit analysis can play a meaningful and useful role in developing environmental regulations.

Finally, I want to inform my colleagues who may be considering voting for H.R. 1022 because they support the general concept of risk assessment that this bill is dangerously overbroad.

H.R. 1022 would impact many federal regulations designed to protect health and safety. The Brown substitute cures this defect in the registration by specifying that no existing health, safety or environmental laws may be overridden through passage of H.R. 1022.

While certain Federal regulations designed to protect safety or public health are counterproductive, the vast majority are not.

A scattershot approach is not the way to correct this problem.

As children, most of us were told that ''it is better to be safe than sorry.''

Our parents who gave us this advice were trying to pass along the wisdom of their years. It is good advice that we in the House should consider today.

I urge my colleagues to support scientifically sound cost benefit and risk assessment analysis, and support the Brown amendment.

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Mr. BILBRAY. Mr. Chairman, I speak in opposition to the substitute motion. I am sure my colleagues on the other side of the aisle are really well intentioned in thinking that environmental and regulatory mandates from the Federal Government somehow always protect the public, always defend the little guy. I am here, though, representing a district which has been severely impacted by Federal regulations. The public health of my citizens has been severely impacted by government and Federal regulations.

Mr. Chairman, I happened to have the privilege of going back to my district and being able to enjoy the beautiful southern California climate. I was able to take my 8- and 9-year-olds to the beach, and this is what we were greeted with, Mr. Chairman. ''Contaminated'' signs that have been there for

so long that they are not made out of paper, they are made out of weather-resistant plastic because the contaminated beaches of southern California have been allowed to perpetuate for a long time.

My colleague from Ohio [Mr. BROWN] continually points out how great the successes have been on Lake Erie. I appreciate that his children can swim in their water. My children cannot. My children cannot or should not be swimming in our water, not because of some business or because the government has not done its job under the existing rules, but because under the existing rules our government regulations have done a job on the environment. I point out the fact, Mr. Chairman, that there have actually been environmental rules interpreted by bureaucracies to state that because the area has been polluted for so long that there is a possibility that a sewage-based ecology has been created and thus is protected under environmental regulations. And that may stand in the way of diverting sewage away from this area and into a sewage treatment system as we all know it should be.

At the same time, this same problem has been going on, the same area has a mandate coming down from EPA to treat our sewage in a manner that both Scripps Institute of Oceanography and the Academy of Sciences say are inappropriate and actually damaging to the environment. But these regulations are taking precedence over the environment, Mr. Chairman.

What the substitute will say is that those of us who are the victims of inappropriate government regulation will not be able to go to court, will not be able to use the justice system to be able to straighten out the insensitivity of the bureaucracy.

I stand here as somebody who has worked almost two decades trying to take care of the pollution problems in my neighborhoods and in my district, and at the same time trying to keep the EPA from requiring us to spend over $3 billion to $6 billion on so-called improvements that will not benefit the environment or the public health.

Mr. Chairman, I stand in opposition to this amendment because it will not allow the citizens of my district to stand up and demand that they get preferable and fair treatment from the Federal Government and that government regulations will not continue to constitute one of the greatest public health risks southern California has seen, not the lack of environmental regulations but the inappropriate application thereof. That is why I stand in opposition to this substitute motion.

Ms. EDDIE BERNICE JOHNSON of Texas. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the Brown substitute. I have some serious concerns about H.R. 1022, which is before us today. It started out with the best of intentions: reforming the Federal regulatory system. We all agree that change is needed in this system and change is starting to occur, in the Clinton Executive Order No. 12866, in the Reinventing Government work, and on a number of fronts in individual agencies.

I think that most of us agree that any legislative measure to speed this change in a constructive direction is welcome. What is not welcome is the bill that has emerged from Committee consideration. Somewhere between the original intent of this bill, something has gone wrong. The problems with this bill are so extensive that only a substitute measure can correct them, and for that reason I am supporting the Brown Substitute.

Let me give you a single example of the problems with H.R. 1022. The bill, in Section 201(b)(1) states:

> Notwithstanding any other provision of Federal law, the decision criteria of section (a) shall supplement and, to the extent there is a conflict, supersede the decision criteria for rulemaking other wise applicable under the statute pursuant to which the rule is promulgated.

This single sentence overrides every existing statute and imposes the risk analysis and benefits calculation process outlined in this bill. Where is the list of these statutes that are being overridden? It does not exist. During committee markup, the comprehensive list of statutes was requested, but was not available. The report accompanying H.R. 9, the original legislation from which this bill was derived, has a simple table outlining some of the statutes overridden. But it is not complete, nor do we know today what the impact of approving this sentence will be.

And this is not a partisan concern. Republican Members of the Science Committee observed in the report on H.R. 9, which contains this same preemptive language:

> (T)itle III may undermine landmark laws that were enacted only after years of work and discussion to create a delicate balance of interested and affected parties—laws that range from protection of food and drinking water quality, to aviation safety, to hazardous waste management, and preservation of wildlife. (Supplemental Views, Report # 103–33, Part 2.)

The Brown substitute contains a savings clause that makes its provisions in addition to and not in place of the provisions of existing law. That is the sane way to legislate. I urge my colleagues to support this substitute.

Mr. CRAPO. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I think it is important for us to understand precisely what this debate is about. The legislation we are discussing today would require that under the existing Federal system of law under which the regulations are now implemented, that we look at whether what we are doing is cost-beneficial. It requires first that we assess the risks which our regulations seek to reduce and then we assess the cost of what the regulations are requiring us as a society to pay in order to reduce those risks.

If it is determined that we are getting only a very minute increase in the reduction of the risk at a very expensive cost, then it is expected that the agency will say that this is not a cost-beneficial decision and we as a society can better spend our limited resources in another way.

Yet there are previous statutes that often set absolute requirements that the Federal agency will then say they must meet. The central debate here is: If we determine after a cost-benefit analysis that moneys can be expended, better for the environment, better for our health, better for our safety in another way, should we let a prior statute tell us that that cannot be done? Should we let a prior set of laws tell us that we cannot conduct a cost-benefit analysis, that we cannot find a better way, that we cannot go forward and use common sense in application of Federal regulations and must continue to follow old approaches?

No. This legislation does not change by itself any previous law; this legislation says we are going to look at the regulations that come out and we are going to see what new efforts by the agencies do and compare what the costs of those regulations, whether it is justified by this benefit.

The current costs of our Federal regulatory programs are estimated to be between $430 billion and $700 billion every year, and are increasing every day.

Yet Congress has never in a significant way reformed our regulatory program to consider meaningful risk assessment and incremental cost-benefit analysis. We have to reform the way our Federal Government operates and take the burden of unreasonable regulations off the backs of the American people.

Mr. WALKER. Mr. Chairman, will the gentleman yield?

Mr. CRAPO. I yield to the gentleman from Pennsylvania.

Mr. WALKER. I thank the gentleman for yielding, and I think he went to the heart of the problem when he suggested that we are in fact trying to make certain new regulations written even under old rules actually make sense and are based upon good science.

What amazes me is to hear the opposition to this bill suggest we do not want to do that. If in fact there is no benefit to the costs being incurred under the Clean Air Act, should we not know that? Is it not something that should be evaluated?

The point is, if there is a benefit, then we go ahead and do it, even under this bill. But to suggest, as they are suggesting, that you should not even do the cost-benefit analysis to find out what the case is, is, I think, a monument to the position that they are taking: That the status quo works just fine.

The other point I would like to make to the gentleman is we are having a chance more and more to review the

substitute that we had not seen heretofore.

But it strikes me very odd, for instance, that the substitute drops out the Corps of Engineers from coverage, which is covered under our bill.

Now, I do not know any Federal agency that has had more of an impact on the country, and some adverse environmental impact, than the Corps of Engineers. And yet, under their substitute, the Corps of Engineers is specifically dropped from coverage.

One has to wonder who got to them. Why in the world would you drop out this huge agency, which has this massive environmental impact, from a bill that is forcing us to look at cost-benefits? If there is any place we ought to look at cost-benefits analysis, it is some of the work that the Corps of Engineers have done over the years.

I am just puzzled as to why that particular agency is one that is dropped from coverage under this bill.

I thank the gentleman for yielding.

Mr. WAXMAN. Mr. Chairman, will the gentleman yield to me?

Mr. CRAPO. I yield to the gentleman from California.

Mr. WAXMAN. I thank the gentleman for yielding.

Mr. Chairman, I do want to clarify for my friend from Pennsylvania [Mr. WALKER], the way the Clean Air Act works. The Clean Air Act has health-based standards so that people can breathe the air and know that their health is not going to be damaged. Then we have to figure out the strategies to achieve that.

This bill would take the health-based standards and weaken it because they would have a cost-benefit analysis of what the health standards are. Otherwise, in the Clean Air Act we have technology standards on toxic air pollutants, and those technology standards are important. If you want to go through the risk assessment, you can go on for years and years and years. We ought to at least use the best technology we have to reduce the pollutants that cause cancer, birth defects, and environmental damage.

I did want to clarify that for the gentleman.

The CHAIRMAN. The time of the gentleman from Idaho [Mr. CRAPO] has expired.

(On request of Mr. WALKER and by unanimous consent, Mr. CRAPO was allowed to proceed for 2 additional minutes.)

Mr. CRAPO. I yield further to the gentleman from Pennsylvania [Mr. WALKER].

Mr. WALKER. I thank the gentleman.

Mr. Chairman, I understand full well what the case is. But the fact is that some of the things that have been done under the bill have proven to have absolutely no benefit. Now, in fact, if they meet health standards that have some benefit, then they will certainly be able to go forward under this bill, But if, in fact, they cannot meet the cost-benefit analysis under the bill, then they would not go forward.

It seems to me that even under the health standard, we ought to be assured people are actually going to be benefited from the costs. That is what the gentleman cannot stand. He cannot stand the idea that we would actually have to have a benefit at the end of all of this and that the costs should justify the benefits.

Mr. CRAPO. I thank the gentleman for his comments. The point is very clearly made. This bill does not change any standard. It requires us to look at what is done under existing statues and any new regulations that seek to impose further requirements under that statute we must first assess under that statute what kind of a risk, how big is that risk, and what benefit will it give us and at what cost to society to get to that point?

Mr. BURR. Mr. Chairman, will the gentleman yield?

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

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

Mr. Chairman, if I understand it, we could go through a cost-benefit analysis and judge something as not worthy of the attention of the Federal agency and in fact there might be something else that is prioritized out there that actually is in the best benefit of the American people.

Mr. CRAPO. That is exactly right. The point is we have limited resources in this society, and we must place them and use them most effectively.

If we are spending the last 80 percent of our money on a very minor increase in the safety to our people when we could use that money for significant safety and environmental and health increases, we need to know that and we need to function in that way.

Mr. WAXMAN. Mr. Chairman, will the gentleman yield?

Mr. CRAPO. I yield to the gentleman from California.

Mr. WAXMAN. I thank the gentleman for yielding.

Mr. Chairman, the issue is not whether you are going to look at a cost-benefit analysis or risk assessment or supersede all existing laws.

The CHAIRMAN. The time of the gentleman from Idaho [Mr. CRAPO] has again expired.

(On request of Mr. WAXMAN and by unanimous consent, Mr. CRAPO was allowed to proceed for 1 additional minute.)

Mr. WAXMAN. If the gentleman would yield further, I would like to finish my statement on this issue because we do cost-benefit analysis when we develop the strategies to achieve health standards.

But what this bill would do is to supersede the Clean Air Act completely and not even have health standards that would be required to be met.

I think that is offensive because it weakens the exact purpose of the law, which is to protect the public health from pollutions.

Mr. CRAPO. This bill does not eliminate any health standard.

Mr. WAXMAN. The gentleman is incorrect.

Mr. CRAPO. What it says is: If the health benefit standard is not beneficial, then we must find a more cost-beneficial use for the funds.

Mr. BILBRAY. Mr. Chairman, will the gentleman yield?

Mr. CRAPO. I yield to the gentleman from California.

Mr. BILBRAY. I thank the gentleman for yielding.

Mr. Chairman, I think I want to point out the gentleman from California is aware of the fact that we are not talking about static standards here. The fact is there are conflicts that have not been addressed when we go to decommission a fuel tank. But the public health exposure of the air pollution created by that regulation is never fully considered under the existing system. In areas where you may have a saltwater aquifer, implementing the Federal law may actually expose the public to more than not doing anything.

The CHAIRMAN. The time of the gentleman from Idaho [Mr. CRAPO] has again expired.

(On request of Mr. WALKER and by unanimous consent, Mr. CRAPO was allowed to proceed for 1 additional minute.)

Mr. WALKER. Mr. Chairman, will the gentleman yield?

Mr. CRAPO. I yield to the gentleman from Pennsylvania.

□ 1900

I think one of the things that needs to be looked at here is the fact that under the clean air standards one of the tests that many industries have had to meet is an opacity standard even though the smokestack was cleaned up to a point that there was no health risk. EPA went on and suggested that they had to achieve an opacity standard which then says that it has to be completely clean coming out of the stack.

Well, what we are suggesting is that maybe the cost-benefit of achieving the opacity standard, which has nothing to do with health, is too great, and it ought to be looked at as a part of doing the work.

Mr. CRAPO. Mr. Chairman, I thank the gentleman. Let me just make one example, and then I will yield back my time.

I think that maybe we could look at an example. Right now we have a Federal standard, the Delaney clause, that basically has been interpreted to say that we must, in that particular health area, reach a zero tolerance, a zero risk standard. That is what the law says, as the gentlemen over here have said, and we had significant agreement last year in this Congress that we should address that so that we can use our resources

more intelligently. This act would allow us to do that.

The CHAIRMAN. The time of the gentleman from Idaho [Mr. CRAPO] has expired.

(On request of Mr. BROWN of Ohio and by unanimous consent, Mr. CRAPO was allowed to proceed for 2 additional minutes.)

Mr. BROWN of Ohio. Mr. Chairman, will the gentleman yield?

Mr. CRAPO. I yield to the gentleman from Ohio.

Mr. BROWN of Ohio. Mr. Chairman, in the committee report on page 36, Mr. WALKER's Committee on Science talks about the Clean Air Act as superseded, the Resource Conservation Recovery Act, RCRA, superseded. One issue, after another, after another. I say, If you don't like the Clean Air Act, let's debate the Clean Air Act. It passed this Chamber overwhelmingly, passed the Senate overwhelmingly. If we want to dismantle clean air, as apparently people on the other side of the aisle do, let's debate it. Let's not try a back door approach where people don't really quite understand exactly what's happening when you supersede these laws. Let's come out. Let's have hearings. Let's have longer hearings than we had in committees on this legislation where both sides come out, both sides can talk about it. We can hear what the issues are and really decide.

Does the public want us to undo the Clean Air Act? I do not really believe that.

Mr. CRAPO. Reclaiming my time, I think it is very important to point out this act does not eliminate the Clean Air Act, and any impression, indication, of that is wrong.

What this act says is that a cost-benefit analysis must be done and that if a cost-benefit analysis done by the very agency that manages the Clean Air Act shows that what we are doing is costing us much more than the benefits that it is yielding, then we have got to look at that law and find a better way to approach it.

Mr. BILBRAY. Mr. Chairman, will the gentleman yield?

Mr. CRAPO. I yield to the gentleman from California.

Mr. BILBRAY. I do not know why everybody is so scared of just bringing some reasonable application to law.

I say to my colleagues, you're not destroying the law by making sure that it's applied reasonably. You're reinforcing it. You're making sure that the intention is finally executed.

The frustration out there is the fact that the reasonable application of the law has been lost, and this brings back a dose of reality, a little reality in the application of these regulations which will fulfill the law, not destroy it.

Mr. BROWN of Ohio. Mr. Chairman, will the gentleman yield?

Mr. CRAPO. I yield to the gentleman from Ohio.

Mr. BROWN of Ohio. When the cost-benefit displaces clean air, when the cost-benefit displaces—when those calculations displace public health issues, public health standards, when my area of Ohio has some of the highest breast cancer rates in the country and we do not know why, and we only are going to look for cost-benefit analysis, and yet it is superseded by this law, it simply does not make sense.

Let us get out and debate these issues so we know what we are really doing——

The CHAIRMAN. The time of the gentleman from Idaho [Mr. CRAPO] has expired.

(On request of Mr. WALKER and by unanimous consent, Mr. CRAPO was allowed to proceed for 1 additional minute.)

Mr. WALKER. Mr. Chairman, will the gentleman yield to me?

Mr. CRAPO. I yield to the gentleman from Pennsylvania.

Mr. WALKER. Mr. Chairman, the gentleman referred to a chart in our committee report. The gentleman, I think, ought to read beyond just the chart because when the word ''supersede'' is used, it is used when existing legislation does not permit risk assessment cost analysis or peer review.

In other words, they passed this legislation, it passed, and the gentleman just admitted now we do not know. We have a lot of stuff we do not know as a result of, as a result of, a lot of this legislation. He made the statement himself.

What we are saying is that we are now putting in place a mechanism whereby we can have cost-benefit analysis and we can have risk assessment, and they do not wipe out the present law. They simply add on a case-by-case basis an ability to do these kinds of assessments in the future as new regulations come forward.

Mr. BROWN of Ohio. Mr. Chairman, will the gentleman yield for an explanation?

Mr. CRAPO. I yield to the gentleman from Ohio.

Mr. BROWN of Ohio. If I could ask the gentleman from Pennsylvania to explain on page 29 of the bill, notwithstanding any other provision of Federal law, the decision criteria of subsection A shall supplement and, to the extent there is a conflict, supersede——

The CHAIRMAN. The time of the gentleman from Idaho [Mr. CRAPO] has expired.

Mr. WAXMAN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I worked on the clean air law for 10 years before it was adopted in 1990, and let me tell all my colleagues that this bill that is before us today would supersede the clean air law, and it would supersede it in terms of the health base standards. That is exactly what is intended, and what would happen when it says that this bill will supersede the rulemaking under any other existing law. This legislation would take laws like clean air, clean water, safe drinking water and supersede them, take the guts out of the bill, of the laws, that are in there to protect the public health, and they take away the flexibility on the parts of the States to make them work. They do not add a streamlining or cost-benefit analysis that we never had before. They put in so many roadblocks that the laws just will not work.

Mr. BROWN of California. Mr. Chairman, will the gentleman yield?

Mr. WAXMAN. I yield to the gentleman from California.

Mr. BROWN of California. Would the gentleman concur with me that the Brown substitute remedies this defect?

Mr. WAXMAN. Absolutely.

Mr. BROWN of California. And that it would allow us then to go ahead and conduct the cost-benefit analysis and the risk assessments that the gentlemen are so happy to see?

Mr. WAXMAN. I do not think anyone disagrees with the idea of doing a cost-benefit analysis, a risk assessment, trying to get the information that will help us make the right decision when we adopt regulations to enforce the laws, but there were some laws that were designed to protect the public health, and to say to protect the public health is really not going to be the objective any longer because this bill is going to supersede it, and we are going to look at whether the standard ought to be subject to some kind of analysis, which would mean it is a weakened standard, and then the strategy to develop that standard is also weakened as well, what we have is a mush. What we have is a rejection of laws that have been on the books since 1970; in the case of the Clean Air Act, signed by President Nixon, with a great deal of pride by Members of the Congress on both sides of the aisle, that we would try to protect the public health from pollutants that injure, and to a great extent millions of people now live in areas where they can breathe safer air because of all this work.

Mr. CRAPO. Mr. Chairman, will the gentleman yield?

Mr. WAXMAN. I yield to the gentleman from Idaho.

Mr. CRAPO. I think that the point that we are trying to make is that the only circumstances in which this statute would supersede any other statute is in that case where an agency has made a cost-benefit analysis and a risk assessment and has determined that the increment of increased safety, or increased health or increased environmental protection that is obtained is not justified by the cost.

Mr. WAXMAN. If that were true, if I can reclaim my time, we would not be arguing about it, but that is not the way I read the law because the way I read the law that is being proposed is it will subject existing laws to a whole new analysis to redo them again, and not only that, the elevation of the least cost-effective way to achieve the results would mean that other factors could not be taken into consideration.

Let me give my colleagues an example of what that would mean: Carol

Browner, the head of the Environmental Protection Agency, testified before our committee, and she said that, if this were the law, she would have to put an inspection and maintenance program on automobiles all over the country. Why? Because that is a very cost-effective way to reduce pollutants from cars. But it is not the best political way to do it. The better way would be to have new cars to reduce pollutants by being made to pollute less. That means that the auto industry would bear the cost rather than the individual consumers having to spend a lot of money to get their cars inspected, to have the changes in the way the cars work, to achieve those standards for many years thereafter.

Mr. BILBRAY. Mr. Chairman, will the gentleman yield?

Mr. WAXMAN. I yield to the gentleman from California.

Mr. BILBRAY. Mr. Chairman, does the gentleman realize what he just said?

Mr. WAXMAN. I think so.

Mr. BILBRAY. We are talking public health, and now the gentleman is talking the fact that it is the political answer that he wants to make sure is still on the table.

That is fine, but let me just say we for 20 years—the gentleman has worked on this; I understand that. I administered it. I say to the gentleman, ''You got to understand for 20 years we were pushing people towards the use of diesel. We thought that that was a great health standard. The fact is diesel has a toxicity above benzene.''

But what we are saying is, ''Let's go back and check. Let's look at these things from reality.''

Mr. Chairman, I know when they passed these laws they meant them to be health based, but, God forbid, let us not make the health based strategy somehow subservient to some kind of political whim.

What we are saying is that environmental protection is a science, not a religion and not politics, and what we are trying to talk about is, ''Let's put science ahead of politics when it comes to environmental protection.''

Mr. WAXMAN. I do not disagree with that statement at all, but what this bill says is, ''You have to, no matter what, take the least cost-effective way to achieve the result.'' That sounds fine except when we get into the reality that some States would like to have flexibility.

I asked Governor Wilson from my State when he testified before our committee would he favor a bill that would repeal the clean air standards as ambient standards based on health, and he said, ''Absolutely not.''

The CHAIRMAN. The time of the gentleman from California [Mr. WAXMAN] has expired.

Mr. PALLONE. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise to support the substitute amendment.

Mr. Chairman, I strongly support the Brown substitute because I do believe it achieves the basic purpose of risk assessment, which is to safeguard public health and the environment without wasting limited resources.

The laws Congress has passed to protect public health and safety are on the books for a reason. United States citizens deserve to know that the food they eat, the air and water in the surrounding environment and the power plants they live alongside are safe, and I believe that H.R. 1022 in its current form will do more harm than good.

First and foremost, I have serious doubts about the bill's approach to regulating different types of risks. While the legislation was conceived with the EPA in mind, it has been expanded to apply to nearly all Federal agencies with health and safety responsibilities. At best this approach may solve problems that do not actually exist; at worst it may undermine effective agency programs already in place.

If I could take a bit from the gentleman from Pennsylvania [Mr. WALKER] in what he was saying before, part of the problem I see with the legislation and why I prefer the substitute is because I believe that the substitute allows more flexibility. There are certain agencies which are included under the rubric of the bill but which are exempted in the substitute, and I believe the reason for that is because many of those agencies that are exempt from the substitute are already carrying out valid risk assessment cost-benefit analysis, and I am fearful that with the bill in its current form it will simply be superseded by a new, more rigorous procedure. I think we need flexibility with these agencies. A lot of them are already carrying out good risk assessment.

If I could give an example with the NRC, the Nuclear Regulatory Commission: The Nuclear Regulatory Commission for years has conducted cost-benefit analyses of all proposals to upgrade nuclear reactor safety under the so-called backfit rule. This standard has been in effect since 1985, and has been upheld by the courts and is familiar to all those who come before the agency. It is not clear to me to what, if any, safety gain would be achieved by making the NRC adapt to H.R. 1022's new cost-benefit approach. The Brown substitute exempts the NRC because the agency already performs risk assessment tailored to its specific needs.

I would argue that the same is true in a different way for the Army Corps of Engineers which the gentleman from Pennsylvania [Mr. WALKER] mentioned. The Army Corps of Engineers conducts very extensive cost-benefit analyses before any water project begins.

Mr. BROWN of California. Mr. Chairman, will the gentleman yield?

Mr. PALLONE. I yield to the gentleman from California.

Mr. BROWN of California. Mr. Chairman, I should point out that the reason we have left the Corps of Engineers out, at least I am informed by the staff, is because they modeled after the H.R. 9, which had left it out, which was part of the contract that we thought, ''Well, at least here's part of the contract we can follow,'' so we left it out also.

Mr. PALLONE. Mr. Chairman, my point is that many agencies are already carrying out good risk assessment, good cost-benefit analysis, and I think that is the type of flexibility we need. There may be some instances where we need to do it, but we do not want to supersede the risk assessment that is valid and is already being done.

Second, I am also worried about the burdens H.R. 1022 in its current form may impose in terms of money and delay, whether they fall on the Government, industry or the public. I fear that this will only intensify regulatory gridlock since it will spawn new layers of bureaucracy to carry its prescriptive procedural requirements. As we all know, more bureaucracy slows the pace of agency action, and, while this may sound attractive to some, delay for its own sake will neither improve Government efficiency nor help the average citizen.

Now, if we look at the Brown substitute, I believe it is preferable because it allows each agency more flexibility in the way it performs risk assessment, and I believe it will result in less cost and less bureaucracy.

□ 1915

My third and final overriding concern is that this bill may undermine safety protections embodied by current law because the bill contains a supermandate which would override existing law. While there certainly may be some problems associated with some of the regulations issued pursuant to such laws, should we really be using a supermandate to revise our major health, safety and environmental laws overnight? I do not think so. I do not think so. The Brown substitute basically eliminates the mandate and declares that nothing in this legislation is intended to modify existing health, safety, or environmental laws. I believe that this legislation in its current form rushed through two committees in a lot of haste. It shows. We can see the haste. I urge my colleagues to reject it and adopt the Brown substitute.

Mr. BURR. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, what we have had is a continuation of the rhetoric that we heard already in committee. The reason that there is so strong opposition to this bill is the fact that many of the rules that are on the books today, if they were to go through a cost-benefit analysis, would not pass. They would be judged not in the best benefit of the American people.

It is time that we speak up for what is in the best interests and benefit for not only the health, but for the taxpayers out there. It is this bill that will allow the risk analysis, that risk

assessment to be done, and a cost-benefit analysis to be performed on it.

The fact is that we should go back and we should look at things that are already on the books to determine are they in the best interests of the American people. But if we do not pass this legislation, that will not happen.

Mr. CRAPO. Mr. Chairman, will the gentleman yield?

Mr. BURR. I yield to the gentleman from Idaho.

Mr. CRAPO. Mr. Chairman, I would like to respond to some of the points that were made earlier with regard to whether this statute supersedes all other health codes or requirements and requires us to look at only cost. In the statute itself, under decisional criteria, it talks about the fact that the agencies promulgating rules subject to this statute must certify, and then in subsection 3 on page 29, that they are to be the less cost-effective at achieving a substantially equivalent reduction in risk, or B, to provide less flexibility to state, local, and tribal governments or regulated entities in achieving the otherwise applicable objectives of the regulation.

What it says is flexibility at state and local level as well as cost effectiveness are written into the statute. The point I make is as we address the question of the Federal regulatory burden that faces this country, this statute says let us look at what benefits these regulations are giving us and what the cost of those benefits is.

The point is that every time we take a societal resource and allocate it to one benefit, that means we cannot use it on another benefit. If we find that we can save one or two lives by spending a million dollars here and save 100 lives by spending it over here, this statute says let us find that out and let us put our money where it will do us the best good.

Mr. PALLONE. Mr. Chairman, will the gentleman yield?

Mr. BURR. I yield to the gentleman from New Jersey.

Mr. PALLONE. Mr. Chairman, my concern is, when you talk about flexibility, that the bill in its current form is not more flexible. I understand what the gentleman is saying. You are saying you think there is going to be more flexibility for the States or whatever. But when you establish one set of procedures about how you are going to go about risk assessment, and essentially ask agencies that are already doing risk assessment, such as the NRC, that they have to retool and go through a new procedure, the danger I think is that you have good risk assessment procedures on the books that are being used by some of these agencies that are going to actually be eliminated, and they are going to be asked to retool and come up with a new way of doing the risk assessment or the cost-benefit analysis that may not be as flexible and as good for those things that come under the rubric of their agency. So I see less flexibility, and that is one of my concerns.

Mr. CRAPO. Mr. Chairman, if the gentleman will yield further, the whole point of the purpose behind this statute is, and I am willing to work with everybody in this body, is to find the most effective and best way to conduct risk assessment and cost-benefit analysis. If we need to refine this over the years and make sure it works the best, that is fine. But the problem we face now is that many of the regulators say to us, let us go back to the Delaney clause, the Delaney clause standards make us do this, regardless of what our risk assessment says. Regardless of whether this is cost beneficial, the previous statutory standards make us do this.

When they say they will make us do this, they say we under our own risk analysis or own cost-benefit analysis, we believe there is a better way we can spend our resources. But the regulations and the statutes that we are dealing with have a requirement in them that we cannot ignore because of our own approach to the statute. The point here is that the sole time that this statute would supersede something that has been developed previously by this Congress is when the agency determines that the increase in benefit that it provides to society is not justified by the cost of society. I do not see how you can object to having that kind of common sense put into our law.

Mr. BILBRAY. Mr. Chairman, will the gentleman yield?

Mr. BURR. I yield to the gentleman from California.

Mr. BILBRAY. Mr. Chairman, my colleague from California pointed out the inspection and maintenance of the vehicles as being an issue. But I think if you look at page 29, section 3, you will see right in there is a vehicle to be able to carry this kind of reasonable application.

In California we got into this issue and a major conflict between the State of California and the 30 million people thereof and the U.S. Government over what is the best way to go. What we were able to do is not abandon the cost-effective aspect, but prove that we had a better, more cost-effective, more socially acceptable way to be able to address it.

We run into these conflicts all the time, to where you have unique situations in certain areas, and that part of reality is not allowed to be included; where you will have the Federal Government requiring that we talk about reducing pollution by maybe 3 percent by requiring ride sharing, and then at the same time the same Federal Government is allowing foreign commuters to come in that constitute 14 percent of the pollution. But that is ignored.

Through this process we will be able to have a give-and-take to develop these rules, rather than what we had in California, which was a major conflict.

Ms. RIVERS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, throughout the course of today we have heard a lot of criticism of H.R. 1022. Unfortunately, the way that criticism has been met is with the accusation that the only way anyone could possibly oppose this particular piece of legislation is if they support entirely the regulation climate as it stands right now.

This is just not true. Most of the people in this Chamber, Members of this body, want to see a change in the regulatory climate in this country. What we are disagreeing over is how to do it.

I think a good way to explain the differences is to recognize this overregulation for what it is, which is a cancer which has spread across the face of this Nation. When we have a cancer patient, there are lots of ways you can treat this individual. If your only focus is on killing the cancer, probably the most simple, easy way to do that is to kill the patient and the cancer dies with the patient.

If, however, you are hoping to have a healthy, safe, productive patient at the end, you need a skillful surgeon who will come in and cut only that which needs to be cut, to leave the healthy systems intact, to leave the important organs available to do their work. That is the difference between the approaches that are going on here.

Our side of the aisle is not arguing that the status quo should remain. Our side of the aisle is not arguing that we like regulations. It appears that the other side of the aisle has chosen to use the best defense is a good offense as their strategy, and I resent it. I want to see a system put in place that makes sense legislatively, that works practically, and that will allow us to have clean water, clean air, safe food, safe cosmetics, and all of those things that we take for granted.

Frankly, the bill that is being proposed does not meet that criteria. We need to reject it.

Mr. DOGGETT. Mr. Chairman, will the gentlewoman yield?

Ms. RIVERS. I yield to the gentleman from Texas.

Mr. DOGGETT. Really, I think it is confession time. I think that we need to confess on this side of the aisle that an error has been made, that really the distinguished Member from California has committed a grave sin with this substitute. The sin, of course, of moderation. The sin of reasonableness. The sin of balance. The sin of gentlemanliness in trying to fashion good public policy.

There was a time in this House when the idea of balance, when the idea of reason, when the idea of trying to reach some agreement between conflicting interests, when that was of value. But no longer. Because we have had the Gingrich revolution, and revolutionaries do not have time for working out the differences between conflicts in public policy. Revolutionaries

do not have time for reason. They have only quick fixes. And that is what we have before us tonight. Not an attempt to get through risk true risk-benefit analysis. Rather, an attempt to put the risk as far as public health and safety, to put all that risk on the backs of the American working families and to take all the benefits and give the benefits to the special vested interests who want the authority to do whatever they please without any oversight from public authorities.

That is the problem with this risk-benefit. Some might say it is balanced, but the only balance is to balance that burden on the backs of families across this country. And I think that is an imbalance.

The problem with this whole risk-benefit assessment is that it is the American people who are being assessed with all the risk of threats to their health and safety under this piece of legislation, and the distinguished gentleman from California [Mr. BROWN] has erred, has sinned, because what he suggested is that we need to reason together and work out reasoned, balanced public policy. But that is out the door now. Now we have to have a revolution.

At least there are some Republicans who speak up against this. In fact, I think the most effective and specific comment on this piece of legislation that we are debating tonight has come not from the Democratic side of the aisle, but has come from the Republican side, in fact on the other side of the Capitol, when the distinguished Senator from Rhode Island, a Republican Member, Senator CHAFEE, has described this very piece of legislation as ''a prescription for gridlock.'' Because what is at stake here is not risk-benefit analysis, but a piece of legislation time.

The CHAIRMAN. The time of the gentlewoman from Michigan [Ms. RIVERS] has expired.

(At the request of Mr. BROWN of California and by unanimous consent, Ms. RIVERS was allowed to proceed for 2 additional minutes.)

Mr. DOGGETT. Mr. Chairman, will the gentlewoman yield?

Ms. RIVERS. I yield to the gentleman from Texas.

Mr. DOGGETT. What is at stake here is not cost-benefit analysis, but a weird kind of system to gum up the whole regulatory process, not to analyze the cost or benefits, but to ensure that no regulation on the public health and safety will ever get out of a regulatory agency unless it has been so watered-down until we have the least of the least of the common denominators and something is put out in the name of protecting the public health and safety, which probably only serves to protect the vested interests that want it in there in the first place.

Let me give you an example of just one provision in this bill which the wise gentleman from California had the bad judgment to try to reason with. And that is the provision concerning conflict of interest. Because perhaps for the first time in the history of this country, instead of trying to prevent conflict of interest, this piece of legislation that we debate tonight does not prevent it; it says we have got to have it.

It says we need conflict of interest. We have got to mandate that when we have peer review of each of these new regulations, that the people who have an economic interest, that have a financial interest, they are not excluded. No, if they have got an ax to grind, the regulatory agency cannot exclude them. They have got to be included.

Think about what that means. It means if we are trying to do something, as another distinguished Member of this body from California has struggled so ably to deal with, the problem of tobacco, that when an issue concerning tobacco is before a regulatory agency it is essential that they have tobacco company scientists, people bought and paid for by the tobacco companies, to be there, to advise on whether it is good science.

This is not putting science ahead of politics. It is putting lobbyists and people who are bought and paid for by vested interests ahead of both. And that is wrong.

The CHAIRMAN. The time of the gentlewoman from Michigan [Ms. RIVERS] has expired.

(At the request of Mr. WAXMAN and by unanimous consent, Ms. RIVERS was allowed to proceed for 5 additional minutes.)

Mr. DOGGETT. Mr. Chairman, will the gentlewoman yield?

Ms. RIVERS. I yield to the gentleman from Texas.

Mr. DOGGETT. Mr. Chairman, when I have always heard the term ''peer review'' before this bill, I guess as a former judge I have always thought about a jury of one's peers, a jury of one's equals. Well, what kind of scientific equals, what type of scientific peers are included under the bill without the Brown substitute?

Well, it is just about like the jury that we see right now in the O.J. Simpson trial. If we took O.J.'s lawyers and put them on the jury, we would have the kind of peer review that is proposed under this piece of legislation. Because it mandates those who have an economic interest in the matter, that they be the jury. And that is just one of many provisions that is wrong with this bill. It is not about good science, it is about good lobbying, it is about good vested interests, it is about ensuring that we do not protect the public health and safety unless we turn it over to the people that created the problem and the threat and the danger to the people of this country in the first place.

Mr. WAXMAN. Mr. Chairman, will the gentlewoman yield?

Ms. RIVERS. I yield to the gentleman from California.

Mr. WAXMAN. This bill is one of the most poorly drafted, thought through pieces of legislation I have ever seen.

□ 1930

It is being rushed through this House without due consideration. We had a hearing for a day or two, a markup that went on for 10 hours. We had to do it with 1 day for only one purpose, because it is in the Contract for America.

This bill is going to pass because a lot of Members figure, well, they will vote for it and the Senate will clean it up or the President will veto it.

But it is an irresponsible piece of legislation. It supersedes existing law. If we wanted to supersede laws, the gentleman made reference to tobacco, there is nothing that is a greater risk than tobacco. When we look at the actual causes of death, according to the Centers for Disease Control, tobacco is No. 1. Then you get poor diet or exercise, alcohol, infectious agents, pollutants, and toxics way down there. They should have superseded the laws that prevent agencies doing anything to protect kids from tobacco. Tobacco companies are pushing their products on these kids. People who breathe in secondhand smoke suffer a health risk. But they did not supersede that.

They superseded the laws that are on the books to protect public health like the Clean Air Act, the drinking water law, and the others. I think that the American people ought to know really what is involved here. This is a pretty cynical bill. It is not well thought out and certainly does not do what it is claimed to do.

Mr. DOGGETT. Mr. Chairman, to be entirely fair about it, I cannot exactly say that this bill was rushed through our committee, because as the distinguished chairman indicated, we had a whole 2 hours, a whole 2 hours to consider the substitute. So there was time to reason about risk benefit. In fact, there was so much reasoning that during much of the questioning of the general counsel of our committee to explain this bill, he had to continue to turn around and whisper and talk to the lobbyist that were behind him to provide the answers to answer the members of the committee.

That is the problem with these peer review committees, as we have set them up, because we are going to have those agencies turning around and whispering to whatever special interest is out there that wants to block the protection of the public health and welfare.

The American people may not understand very much about this bill. It is a lot of gobbledygook about risk benefit and science this and that. But there is one thing they can understand. That is that this bill mandates a conflict of interest, and I say it is a pretty sad time in the history of this country, a tragic time, at a time that there are a lot of things going on around this House and around this city about conflict of interest, about ethics problems, and this is

part of a broader pattern where we come in under a rushed piece of legislation and we mandate and demand a conflict of interest be included in the way our regulations are set.

I say to the gentleman from California, I appreciate the fact that he is on this matter and he continues to demand that we approach things in moderation instead of giving in to the special interests that think they can write everything up here.

Ms. RIVERS. Mr. Speaker, reclaiming my time to finish my remarks, I said that we are all interested in eradicating the cancer that is found in overregulation. This side of the aisle, however, wants the patient, the American public, to survive healthy, safe, and productive. Under 1022, they will not.

Mr. ROHRABACHER. Mr. Chairman, I move to strike the requisite number of words.

In case my colleagues on the other side of the aisle have not seen, our country is being strangled by overregulation. This is coming not from the actions of people who have just now achieved some sort of influence because of the last election but because of actions that have taken place over the last 20 years when Members on that side of that aisle had all the time in the world to act, and the Members on the other side of the aisle did not act.

People have been thrown out of work. We have seen billions of dollars of resources wasted. We have seen fundamental concepts of freedom that were always part of the American system just totally negated by this rush for regulation that we have seen in the last two decades.

My liberal colleagues have given such power to the bureaucracy to regulate that it has become a major threat not only to the freedom but to the well-being of this country. That is why in the last election, in November, the people turned away from those who had been making the rules before, the people who are making the arguments tonight.

Mr. WALKER. Mr. Chairman, will the gentleman yield?

Mr. ROHRABACHER. I yield to the gentleman from Pennsylvania.

Mr. WALKER. Mr. Chairman, I thank the gentleman for yielding to me, because he was a part of the process that we went through in the committee that the gentleman from Texas rather cavalierly noted lacked integrity. But I think that the gentleman from Texas ought to probably read the bill before he makes statements that are completely erroneous with regard to any mandate for people with financial interests to be a part of peer review.

The fact is there is no such thing in the legislation. The gentleman knows that and yet misrepresented it.

Let me read the language which is in the bill. Let me suggest that the language in the bill that creates the peer review panel says this:

> Shall provide for the creation of peer review panels consisting of experts and shall be broadly representative and balanced and to the extend relevant and appropriate, may include representatives of state, local, and tribal governments, small businesses, other representatives of industry, universities, agriculture, labor, consumers, conservation organizations and organizations.

That does not sound like a mandate for special interests to me. That is the language that creates the peer review panels. The gentleman from Texas had it absolutely wrong.

Mr. ROHRABACHER. Mr. Chairman, reclaiming my time, what that is is a formula for including the public. What was created by the liberal Democrats when they controlled both Houses of Congress was a regulatory dictatorship. And the reason power has shifted in this House is because the American people have felt oppressed, and they see that their standard of living is declining because there has been no balance to the regulatory process. And their rights have been trampled upon by unelected officials.

Mr. DOGGETT. Mr. Chairman, will the gentleman yield?

Mr. ROHRABACHER. Mr. Chairman, the reason I will not yield is because we were very, very gracious in providing the gentleman the extra time he needed. But at a time when we wanted to ask him questions, he was not gracious, even after we had granted him extra time to open up for questions.

If I might finish my statement, I will move forward.

What we have in the United States today is far from the freedom that we had years ago and the American people understand that by granting the bureaucracy the powers that the liberal Democrats granted, it has not made us appreciably better off and, in fact, is detracting from our economic well-being

Certainly, some lakes were polluted and they have been corrected. There were problems in the past. But what we went on in this regulatory power grab in the last few decades was a situation where the regulators, who were given power to solve some problems, expanded and expanded and expanded their authority to the point that it, indeed, threatened the freedom and well-being of the country.

We plan to turn that around. That is what this is all about.

When we talk about peer review, as my colleague from Pennsylvania demonstrated, we are talking about opening up the process so that the American people will be able to effect the regulations that are heaped upon them by unelected officials.

Our bill has judicial review, which is also a protection of our citizens. Their substitute has no judicial review. We talk about a new way of doing things, because it is necessary now to change the way this government has been acting in order to ensure the well-being of our people. That is what this bill is all about. That is what this substitute is against.

Ms. HARMAN. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the Brown substitute.

Mr. Chairman, I appreciate the poetry of the last speaker. I do, my colleague from California, but now maybe it is time for a little prose.

Over the past 2 years, many of us on this side of the aisle have supported legislation to reform the federal regulatory process. Last month this Member voted for the unfunded mandates bill to help reduce the burden of federal regulations on state and local governments, and last week this member voted to simplify and declare a moratorium on regulatory action. I support the concept of risk assessment and last year I joined with you, I believe, to vote against the rule on elevating EPA to cabinet level status because risk assessment and cost-benefit amendments were not even allowed to be considered.

I also supported the bipartisan Committee on Science risk assessment bill that was proposed by Members ZIMMER and Klein in the last Congress.

But, Mr. Chairman, to me the issue is not whether risk assessment legislation must be enacted. It is what is a responsible way to achieve a risk assessment program?

I have a number of concerns about H.R. 1022. First, I am worried that the bill's judicial review provisions will cause a litigation explosion in federal courts and could turn into the full employment for lawyers act. Any special interest group, including environmentalists and businesses alike, would be able to cause regulatory gridlock by subjecting interim agency processes to judicial scrutiny.

Second, like many Members on both sides of the aisle, I am concerned about H.R. 1022's provisions which would override any conflicting substantive requirement in federal law.

I agree that many existing environmental health and safety laws are broken. However, to fix these problems, we must address these issues head on through a statute by statute examination.

And finally, while H.R. 1022 purports to ease the sting of federal regulations, I am concerned that the legislation will create too much new federal bureaucracy and red tape.

The bill would create a regulatory maze that could end up wasting hard-earned taxpayer dollars.

Mr. Chairman, the Brown substitute is a strong risk assessment and cost-benefit bill without the problems in H.R. 1022.

I urge the House to accept the Brown substitute and, therefore, to adopt a responsible risk assessment cost benefit bill.

Mr. ROBERTS. Mr. Chairman, I move to strike the requisite number of words. I rise in opposition to the substitute.

Mr. Chairman, I think Members should pay attention to page 16 of the bill in which it says the document shall

contain a statement that places the nature and magnitude of risk to human health, safety and the environment in context, in context. Such statements shall, to the extent feasible, provide comparisons with estimates of great or lesser and substantially equivalent risks that are familiar to and routinely encountered by the general public as well as other risks.

The reason I bring that up is this. Several speakers have indicated we are rushing to judgment. For 14 years and even years before that, the gentleman from California [Mr. BROWN] and I have served on the sometimes powerful House Committee on Agriculture in an effort to ride this animal called FIFRA out of the chute and finally get some legislation with regard to food safety and finally repeal the clause called the Delaney clause that called for zero risk. Everybody agrees that has to be done.

We have tried and tried and tried to forge a coalition between industry, agriculture, and the environmental groups, all to no avail.

Part of the problem is the climate that we have had in reference to the whole pesticide issue and the whole business of risk assessment. That is what this bill is all about.

The gentleman from California, and his knowledge about this issue is second to none of anybody in the Congress, referred to the alar situation and the fact that it was concerned about children that led to that dispute. It is my recollection that the 60 Minutes story on alar just did not happen.

In fact, it was carefully planned by the Natural Resources Defense Council with the aid of a very savvy public relations firm called Fenton Communications.

In fact, in a memo published by the Wall Street Journal it was indicated as that report was being finalized, Fenton began contacting the media all throughout the country and that agreement was made with 60 Minutes to break the story. And later in that memo Mr. Fenton stated, a modest investment by NRDC repaid itself many fold in tremendous media exposure and submitted his campaign was a model for other such efforts.

What we had was a proven formula for really raising controversy and manipulating the public opinion. And it sure was not sound science. This was a strategy of manipulation that had serious implications for agriculture. In the food safety policy arena, the Congress was left out. The EPA, as a regulator, was left out. The scientific community in its research function was left out. Everybody in agriculture was left out, except the apple producer and they lost $400 million.

□ 1945

What we need is an approach to have risk assessment put in a common language that everybody can understand. Accurate science today lies in the eyes of the beholder, and today we have reached the point where risk assessment, based on so-called accurate science, is a shotgun marriage between science and politics. We have in chemical detection technology today the resources to detect parts per trillion, parts per trillion, so we can find a little bit of chemical everywhere we look. Almost everything is contaminated by something else.

Mr. Chairman, let us put this issue into perspective. The cancer risk in regard to aflatoxin, what we find in peanut butter sandwiches we feed our children that is 75 times greater than the dietary risk from minute amounts of the chemical EDB that has already been banned as a grain fumigant.

The reason I brought that up is I can remember in past debates on this issue, when people were worried about the amount of daminozide, which is the same thing, in peanut butter, and what was safe for our kids.

We come to find out that if everybody in this body had to consume the same amount of peanut butter and aflatoxin that the poor lab rat did before he went legs up, everybody here would have to consume 600 pounds of peanut butter a day.

Judging from the debate, I know some people over there that I would like to feed 600 pounds of peanut butter a day to, and it would certainly gum up the debate, or at least maybe shed a little bit of light.

A swimming pool, a child swimming in a swimming pool for an hour may be exposed to chloroform, that is a byproduct of the chlorination we have, at levels that exceed the risk by EDB, which again was a grain fumigant that was banned, I am not for bringing it back, but we chlorinate the pool because the risk of disease and infection from bacteria is much greater than the risk in regard to the chloroform. That is what risk-benefit is all about.

We have a pesticide law, I mentioned it before, FIFRA, and we have the Federal Food and Drug and Cosmetic Act.

The CHAIRMAN. The time of the gentleman from Kansas [Mr. ROBERTS] has expired.

(At the request of Mr. BROWN of California and by unanimous consent, Mr. ROBERTS was allowed to proceed for 2 additional minutes.)

Mr. ROBERTS. Basically what this law says is that these products should only be used when the benefits really exceed the risk. If they do not, if the risks are greater, then the EPA should and does have the authority to ban the use of any kind of product on an emergency basis.

In regard to risk-benefit, and I will sum up, and this is the whole issue, my word, when we talk about gridlock, when we talk about time consumed on this issue, 14 years; more than that, 15 or 20 years? People crawl out of train wrecks faster than we handle the food safety laws around here.

We have a good bill, H.R. 1627. We need to move on it. I think we have good bipartisan support. However, this bill will, at least by peer review, describe risk assessment so the American public knows what the real risk is.

I think common sense would tell us and the American people should understand that in this debate what we are in far greater danger of, harm in regard to these kinds of risks, are from lightning, dog bites, drowning, falling down, too much sunshine, certainly smoking, certainly if we get into the smart juice; or getting in our cars to drive to the grocery store to eliminate the products that some say are unsafe, you are in greater danger of having a car wreck going down to the grocery store in regards to the products. I find it incredible that some in our country would legalize drugs and ban apples.

The whole point is I think if we had a cost-benefit yardstick here, or a description that every American could understand, we could put the food safety debate in proper perspective. We could get to risk assessment that would not endanger the apple industry or anybody else that would be in the barrel in regards to these unmitigated attacks on agriculture, and the risk-benefit or the risk assessment would be based, certainly, on sound public opinion.

Ms. JACKSON-LEE. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I would simply ask the question as to whether or not we are listening to each other. It is good to engage in eloquent prose and poetry and debate, which it seems we have been doing. I wonder whether or not we are hearing. What we are saying on both sides of the aisle, Democrats and Republicans, is that we believe in risk assessment and cost-benefit analysis.

I rise to support the Brown-Brown substitute to H.R. 1022. Because we are saying the same thing, I would hope that we would be able to listen to what is actually the best way to do what we are all trying to do. I prefer to accomplish that reform in an open and honest way that does not overreach and cause more problems than the existing system.

Banning apples, making drugs legal, none of that reaches the point. The point is if we want cost-benefit analysis and risk assessment to work, we must make it work in an open and fair way so that the States and local jurisdictions can work along with us.

H.R. 1022 envisions a complicated and detailed system of actions, all set out in statute and without a judicial review disclaimer, all reviewable in the courts. The reform process in this bill will add another $250 billion to the Federal cost of regulation.

We are all talking about reinventing government, bringing down the cost of government, and yet this legislation adds $250 billion to that cost. In addition, the provisions of this bill will cost industry millions more in the cost of developing the data that this bill requires.

Finally, which is a point that is very important, State governments will be saddled with these costs as well, since these provisions apply to State permitting decisions made under Federal laws, such as the Clean Water Act permits.

If the State and local agency that tries to modify this process to better suit their jurisdictional needs does this, remember that they can be taken to court by anyone and made to comply with every phrase and sentence in the bill.

Mr. Chairman, I would like to just speak about this for a moment. Coming from local government, making every effort to comply with Federal regulations under State guidance, the idea that we would be susceptible at every turn to judicial review is overwhelming. The costs would be burdensome. It would be unimagineable.

If we are trying to emphasize unfunded mandates, why would we have legislation that would then ultimately impact negatively the State, counties, and cities?

If this is such good regulatory process, why is it so costly and convoluted? The supporters of H.R. 1022 claim that the existing system is convoluted and costs many millions of dollars, and that the cost of H.R. 1022 is justified when the reduction of the burden on the private sector is factored in.

I do not think that washes. I want to reemphasize the impact it would have on States who would try to be creative and comply with the regulations, and then be hauled into court. We all agree that the existing system needs to be changed. Most of us would agree that the existing system is convoluted and inflexible.

Again I emphasize, we are saying the same thing. Let us have effective legislation. Therefore, the Brown-Brown substitute amendment indicates we can do this in a fair manner. It would force major Federal health, safety and environmental regulations, those with an impact of $100 million or more, to comply with a revised system of regulation, providing for independent peer review, cost-benefit analysis, worst-first regulatory priority setting, and a host of other reforms; again, an honest and open process.

These major rules account for 97 percent of the costs imposed on industry by Federal regulations, so these provisions represent a significant reform. Is that not what we are asking for? Is that not what we are talking about, Republicans and Democrats alike? We are talking about positive reform in order to make this country work.

Mr. Chairman, the Brown substitute does not expand judicial review. It does not frighten me, as someone who had been in local government and State government, that at every turn I would be subject to costly litigation.

It does not contain a broad override of existing law, and explicitly states there would be no unfunded mandate imposed on the States in the substitute, for counties and cities as well.

Mr. Chairman, I support sane regulatory reform, and therefore support the Brown substitute, so we can do this in an honest and fair manner, but more importantly, to listen to each other and to provide the kind of legislation that will make this reform work.

Mr. FIELDS of Texas. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, the debate over the last number of years has revealed strong differences among some Members about the role of the Federal Government and risk assessment and cost-benefit analysis. The view from outside the Washington Beltway, from Governors, mayors, school boards and small and large businesses, is that there is a serious problem concerning the credibility and impact of Federal regulatory programs.

A number of Members, however, believe that rules which increase annual costs between $25 and $100 million should not be subject to cost-benefit requirements. Many of these same Members advocate that risk and cost-benefit legislation should essentially be unenforceable. In my view, such an approach would shield the Federal bureaucracy from real accountability and effectively neuter the legislation.

I am further reminded of how those who oppose judicial review for the Federal bureaucrats were eagerly prepared to impose penalties under the Toxic Substances Control Act on ordinary homeowners during real estate transactions. Last year I opposed radon legislation which placed requirements on ordinary home sellers and even those who rented out rooms. Republicans argued that such an approach intruded on State law and would swamp the Federal courts with millions of violations during ordinary real estate transactions.

We asked EPA to justify its support when the possible penalties were as high as $10,000 for failing to hand out a hazard information pamphlet. An amendment to remove this provision was offered, but the administration and the Democratic leadership prevailed. Moreover, the League of Conservation Voters scored the amendment as an anti-environmental vote.

I think I can guarantee that such an approach to expand the Federal regulatory octopus to ordinary homeowners will not occur this Congress.

I am struck, however, by the double standard and the passionate defense of the Federal bureaucracy by the same Members who are so willing to impose Federal penalties and litigation on ordinary homeowners. Congress has simply added new regulatory program upon new regulatory program. America is long overdue for real change.

I strongly support H.R. 1022, the Risk Assessment and Cost-Benefit Act. The bill provides a strong, enforceable system of accountability, disclosure, peer review, and careful analysis of regulatory alternatives. This is a critical building block for Federal regulatory programs to ensure that our national resources reduce real risks and set realistic priorities.

Mr. Chairman, I urge my colleagues to support the bill.

Mr. KLINK. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, as I listened to the debate, like the gentlewoman from California who spoke a few moments ago, I would like to remind my colleagues on the other side of the aisle, I joined many of them in voting against the rule that would make EPA a Cabinet-level position, because we did not have the opportunity to take a vote on any amendments that had to do with risk-cost assessment. I think risk assessment is a good idea.

However, that said, I think 1022 is a bad bill, and I think the process that brought us to this point is a bad process. Mr. Chairman, I was elected not for 100 days but for 2 years. We have time to do this bill and do it correctly. I think that the Brown substitute takes us one huge step in that direction.

The OMB reports that 97 percent of the total cost of Government regulation occurs as a result of regulations with an economic impact of $100 million or more.

We need to do risk assessment on H.R. 1022, because what are we spending? How many millions of dollars are we spending to go back and get a portion of that remaining 3 percent, and to take that figure from $100 million down to $25 million?

The substitute that is offered by the gentleman from California [Mr. BROWN] and the gentleman from Ohio [Mr. BROWN] sets the limit of major rule at $100 million. I think that is a very important step.

Under H.R. 1022, hundreds of Federal employees would have to be hired to do risk assessment, cost-benefit analysis, and arrange for peer review of regulations that have a financial impact of as little as $500,000 for each State. That is the level that is set in the current H.R. 1022 language, going back to the $25 million figure.

Mr. Chairman, we have to wonder, as we put all of this legislation in, the kind of order that we are passing it. First of all, we come out here after only being in town for 3 weeks and we pass a Balanced Budget Amendment. Then we come in and we want to talk about risk assessment that CBO says could cost the Federal Government a minimum of $250 million per year.

We are in the process of trying to cut down on the size of Federal Government. The reinventing government that has been headed up by Vice President GORE is designed to cut 252,000 Federal workers out of the Government.

□ 2000

Yet we understand, Mr. Chairman, that under this bill we might have to

hire as many as 5,000 additional Federal workers to do risk assessment and cost-benefit analysis.

Mr. Chairman, again I have to wonder about the consensus. That as we are passing legislation that says unfunded mandates, how much of an unfunded mandate is this bill going to pass on to the States and to the cities as they are our partners in handling these regulations? I think the Brown and Brown substitute makes a huge step in that direction.

I think that the gentleman from Ohio [Mr. BROWN] also in a Dear Colleague that he put out talking about his substitute made a great point when he said:

> This amendment was drafted based on the very language that was included in the majority Science Committee report. It would expand section 3 to eliminate the 23-step risk assessment process for those situations where prompt action is necessary to avoid death, illness or serious injury.

I think that we have to take a very serious look at this amendment.

Mr. BROWN of Ohio. Mr. Chairman, will the gentleman yield.?

Mr. KLINK. I yield to the gentleman from Ohio.

Mr. BROWN of Ohio. I thank the gentleman from Pennsylvania [Mr. KLINK] for yielding.

May I inquire of the other side, because of time constraints on the total time we are allowed to debate, how many more Members are planning to speak on the other side? I would ask the gentleman from Pennsylvania [Mr. WALKER] if someone can let us know how many Members are speaking.

We have several other amendments to offer. I imagine your side has a few. We would like to bring this to a close as quickly as possible if I can inquire how many Members you have. We have 2 or 3 left on this side.

Mr. WALKER. If the gentleman will yield, I have 2 that I know of on my side.

Mr. BROWN of Ohio. Can we make an agreement of no more than 3 on each side so that we can bring this to a vote?

Mr. Chairman, I ask unanimous consent to end all debate at 8:30 on this substitute. We have debated the substitute for 2-plus hours already and in the total of 10 hours to consume, we have about seven or eight more amendments on our side.

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

Mr. WALKER. Reserving the right to object, Mr. Chairman, as I understand what the gentleman is proposing here, we would have a half-hour more of debate, that we would go until 8:30 and we would divide the time equally between the two sides?

Mr. BROWN of Ohio. If the gentleman will yield, sure. That is fine.

Mr. WALKER. And that would include any amendment to this amendment, is that correct?

Mr. BROWN of Ohio. We do not plan any. That is correct.

Mr. WALKER. Mr. Chairman, I have no objection to that.

Mr. KLINK. Reclaiming my time, and I will end with this, Mr. Chairman.

Mr. CHAIRMAN. The gentleman will suspend.

Mr. BROWN of Ohio. Mr. Chairman, I ask unanimous consent that the debate be concluded by 8:30 and both sides share equally in the time between now and 8:30.

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

Mr. WALKER. Mr. Chairman, reserving the right to object, is the time of the gentleman from Pennsylvania [Mr. KLINK] going to be included in this now?

Mr. KLINK. Reclaiming my time, Mr. Chairman, I have about 30 seconds and I will be done.

The CHAIRMAN. The gentleman from Pennsylvania [Mr. KLINK] is recognized.

Mr. KLINK. Mr. Chairman, I will wrap up very quickly. I just want to make the final point on the peer review.

The CHAIRMAN. If the gentleman would suspend, in order to settle this unanimous-consent request, is it the Chair's understanding that the time limit covers any amendments thereto?

Mr. BROWN of Ohio. Mr. Chairman, I withdraw the request until the gentleman from Pennsylvania [Mr. KLINK] has concluded his remarks.

The CHAIRMAN. The gentleman from Pennsylvania has 90 seconds remaining.

Mr. KLINK. Mr. Chairman, I will not take all of it. I just wanted to make one mention. That is, as I said earlier on, the process is what has bothered me. It is the process not only where we have come with drawing up this legislation but the period of time that we are dealing with in moving this legislation forward. It also relates to the peer review panel and it has been talked about. I just want to go to page 31 of the bill and item 3 at the bottom.

It says the peer review panel ''shall not exclude peer reviewers with substantial and relevant expertise merely because they represent entities that may have a potential interest in the outcome, provided that interest is fully disclosed to the agency.''

So we are not talking about excluding anybody but we are talking about the fact that these people most likely are going to be taking part in the peer review panels, they have helped to draft the legislation, they have helped to draft the Contract for America and I think that that is up to the Members of Congress, not up to special interests and lobbyists.

Mr. BROWN of Ohio. Mr. Chairman, I ask unanimous consent that each side have 3 more speakers for 5 minutes each.

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

Mr. WALKER. Mr. Chairman, reserving the right to object, that was not what we agreed to. We agreed to the fact that we would have a half-hour more of time controlled equally on each side, 15 minutes on each side. That is the agreement.

Mr. BROWN of Ohio. Mr. Chairman, if the gentleman will yield, is he proposing, I ask the gentleman from Pennsylvania [Mr. WALKER] that each side control 15 minutes?

Mr. WALKER. That is right.

Mr. BROWN of Ohio. Fine.

Mr. WALKER. And that includes all amendments thereto.

Mr. BROWN of Ohio. Mr. Chairman, I ask unanimous consent that debate be concluded on this amendment and all amendments thereto at 8:35.

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

There was no objection.

The CHAIRMAN. The gentleman from Ohio [Mr. BROWN] will have 15 minutes, and the gentleman from Pennsylvania [Mr. WALKER] will have 15 minutes.

The Chair recognizes the gentleman from Pennsylvania [Mr. WALKER].

Mr. WALKER. Mr. Chairman, I yield 5 minutes to the gentleman from Georgia [Mr. NORWOOD].

Mr. NORWOOD. Mr. Chairman, I thank the gentleman for yielding me the time.

Mr. Chairman, I rise to answer some very interesting statements that were made earlier by the gentleman from Texas on the other side of the aisle. When I hear him talk about the sin of reasonableness, the sin of balance, the sin of moderation, I have to ask, where has reasonableness, balance and moderation been over the last 14 years when that side of the aisle controlled this Congress?

We are here today basically to discuss not just cost analysis. When we hear the other side speak, we really hear only of cost analysis. We are here to allow and ask Federal agencies to do a cost-benefit analysis. We, too, want them to look at the benefit for the American people in terms of safety and health.

The problem is, you take situations that have occurred over and over in this country like the example where the EPA forced Columbia, Mississippi to clean an 81-acre piece of land that was contaminated with small amounts of hazardous chemicals. Who can be against that if a risk assessment is done? We all want those chemicals cleaned up if need be.

But what does the EPA do? They order the removal of 12,500 tons of dirt. Why could they not simply have just covered over that hazardous chemical with other dirt? Because the EPA based its cleanup standard on a theoretical child by eating half a teaspoon of dirt per month for 7 years?

The standard is based on a child eating more than half a gallon of dirt, so we spend $20 million to remove that dirt rather than covering it over for the cost of $1 million?

That is what is driving the American people crazy out there. They know we owe $5 trillion. They know we are borrowing a half a trillion dollars every 2 years. Yet we continue to allow a Federal agency to pass down rules and regulations that have absolutely no conflict of interest.

I notice that the gentleman from Texas talks about conflict of interest. He cannot believe that people with an economic interest could actually be invited to the table to discuss the problem.

I find that unbelievable that people who have been done to over the years with rules and regulations that are not necessarily reasonable cannot be invited to the table of the Federal agencies that are not elected to office to discuss the right and wrong of every regulation.

I know that the American people must not understand this bill, because I have been told that. But I am absolutely certain that the American people understand what has been done to them over the last 5 and 10 years in terms of excessive rules and regulations where so many are not necessary, where every time they lose another freedom.

I ask you all to please support our bill and vote against this amendment.

Mr. GANSKE. Mr. Chairman, will the gentleman yield?

Mr. NORWOOD. I yield to the gentleman from Iowa.

Mr. GANSKE. I really think that we ought to talk about the substantial differences between the Brown-Brown substitute and the bill. Really the substitute is full of language such as reasonable, and reasonable, and reasonable. But the real difference is in whether there is judicial review. It is as simple as that. Do you want to have the Federal agencies judicially reviewed, or do you not?

The Federal agencies I think for a long time have reviewed the actions of private citizens and would require them to submit to their regulations. I personally think it is time for the Federal agencies to have to justify, create a paper trail and to be under this realm of judicial review.

If we look at the Brown substitute, in section 15 under judicial review, ''Nothing in this Act creates any right to judicial or administrative review.''

A distinct difference between the substitute and the bill itself which in section 401 says, ''The court with jurisdiction to review final agency action under the statute granting the agency authority to act shall have jurisdiction to review, at the same time, the agency's compliance with the requirements of this Act.''

It is a distinct difference and that is what we have been talking about. We all agree, for instance, that cost-benefit analysis and risk assessment are important things. It is simply a matter of whether you want to go further and require the agencies to be under judicial review among other things. I do. I think that that is a good provision.

Mr. BROWN of Ohio. Mr. Chairman, I yield 6 minutes to the gentleman from Missouri [Mr. VOLKMER].

(Mr. VOLKMER asked and was given permission to revise and extend his remarks.)

Mr. VOLKMER. Here we go again, Mr. Chairman. We have got a new little wrinkle here this evening, today and tomorrow. Something that has not happened before again. I will have to admit that the majority have come up with a way to get around some rules.

As has been mentioned before in debate here, this bill will cost by CBO a minimum of $250 million. We have in our budget act under present law a provision called pay-as-you-go, or pay-go. And you are supposed to pay for that. But I do not see any paying for that. And how do you get around it? It was a pretty cute move.

You now have before you a bill that has never been reported by a committee. You have before you a bill that was introduced and brought out of thin air, put in the Committee on Rules and sent to the floor in order to get around pay-go. That is all it is.

I have heard the gentleman from Pennsylvania many times, his time here, as long as I have been here yell and holler about waiving the budget. He did not waive the budget. He just circumvented the budget act, snuck around it. That is all he did.

Where are we going? We are going to spend $250 million to do this? To bring this about? Where does the money come from? It is not in here. Not in here at all.

It appears to me by looking at this bill that is before us and the substitute, I find some things that—is the gentleman from California not on the floor?

We had a big time passing legislation, and I had hoped that the gentleman from Kansas who is the chairman of the committee would have yielded to me because I wanted to talk to him a little bit about it, but he did not.

If the gentleman from California could come up here for a few minutes, I want to do a little colloquy if I could. While we were passing legislation, we worked through the Committee on Agriculture, the House and the Senate, spent well over a year working on reorganization, restructuring the USDA. We put a provision in there for a cost-benefit analysis for all regulations in the future by USDA. Is that not correct, I ask the gentleman from California [Mr. BROWN]?

Mr. BROWN of California. If the gentleman will yield, that is correct.

Mr. VOLKMER. And the substitute that you now have before us basically follows the language that we incorporated, this House unanimously passed, both Republicans and Democrats just last year? Is that correct?

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Mr. BROWN of California. That is correct.

Mr. VOLKMER. Now, what has gotten so bad with it all of a sudden? All of a sudden that substitute is not any good anymore. People who overwhelmingly voted for it now condemn it, say it is terrible, say it does not do anything. Yet last year they were praising it. They were saying what a great thing it was.

Mr. BROWN of California. If the gentleman will yield further, this bill is somewhat more comprehensive than the one we passed last year, but the language, as the gentleman points out, is identical on subjects like comparative risk assessment, for example.

Mr. VOLKMER. I admit this bill goes further and your substitute goes further. But basically it is.

Mr. BROWN of California. Yes.

PARLIAMENTARY INQUIRY

Mr. VOLKMER. Mr. Chairman, now, the other thing that I find in the principal legislation that is ironical to make is that just recently we are moving things here so fast I cannot remember, we did a moratorium on regulations, if I remember right, that passed.

I would like to perhaps make a parliamentary inquiry to the Chair. Maybe the Chair can enlighten me a little bit. I think I know the answer to the question I am going to propose, and maybe the Chair can, if it is not a parliamentary inquiry, can say so, and then I will give the answer, and if they disagree with it, they can disagree with it.

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. VOLKMER. We passed a moratorium-on-regulations bill. Let us assume that that bill is passed by the Senate day after tomorrow and goes into conference, and in the meantime the Senate takes this bill, which is going to pass this House by tomorrow, they take this bill up and pass it and send it directly the way it is to the President. the President signs it. It becomes law. The moratorium bill 2 weeks from now comes out of conference, passes the House and Senate, goes to the President, becomes law.

Is it not true that the moratorium legislation on all regulations would affect the proposed regulations under this bill?

The CHAIRMAN. The Chair cannot interpret what the enactment of that legislation would do.

Mr. VOLKMER. I did not think the Chair would know the answer. I agree.

Just one quick move to prove, to show, the point that if that happens, you cannot do what is proposed to be done in this bill in the 15 or 18 months, folks. It cannot be done, because you have a moratorium on all regulations including these regulations that are to implement the pay-as-you-go.

Mr. WALKER. Mr. Chairman, I yield 5 minutes to the gentleman from Maine [Mr. LONGLEY].

Mr. LONGLEY. Mr. Chairman, judicial review, what a radical idea that the regulatory bureaucracy should be accountable. My district was one of the first districts in the country to adopt, to implement, the enhanced air emissions testing under the Clean Air Act, and did so with a good spirit and the intention of hopefully being able to clean the air.

It did not take the people of my district more than 6 weeks to figure out the program was flawed and, frankly, was not based on science, and as we dug into it, we found out that not only had the EPA forced, threatened, sanctions on the State's economy, the adoption of this system, but that agency itself had not even complied with the Federal law requiring scientific studies that were supposed to be done.

So we had seven counties and 600,000 men and women who again attempted to comply with this and took all of 6 weeks to decide that the program should be canned. It was not only suspended, but we had a petition campaign in my State that will probably lead to its ultimate repeal.

But what about the actions that have been taken by the State? As we speak this evening, the Maine senate and the legislature in Augusta is debating what to do about a $15 million contract that was entered into in good faith with a testing service that was the mandatory choice under the EPA's plan, and at the same time that we are doing this, in the last 4 months, in fact, barely 2 weeks ago, the EPA on its own volition came in and said, ''Surprise, surprise, we don't really need to test in four of the seven counties, that, in fact, they are now in attainment whereas, before, they were in nonattainment.''

If you go back into the RECORD, you are going to discover the EPA cannot as of this date even verify where the pollution was coming from that they were requiring the people in my State to test for. In fact, there were two different versions offered by different officials within the bureaucracy. One official testified that if we took every car in the State and drove it into Casco Bay that the State of Maine could still be in noncompliance with the Clean Air Act. Another official said that the estimate of pollution coming from out of State and anywhere between 30 percent and 70 percent, and again, coming back to the fundamental requirement of the law, the EPA did not conduct the scientific studies it was required to conduct so there was any scientific basis whatsoever for the actions that were forced onto my State.

And as if that were not enough, many of the towns and cities in my State, in my district, are evaluating compliance with the sewer overflow requirement under the Clean Water Act, and I met with officials of the city of Augusta barely 10 days ago who are now staring in the face of a $30 million expenditure based on the scientific determination, or regulatory determination, by the EPA that water overflow as a result of a once-a-year rain event or the spring melt were creating bacteria counts that were excessively high, and so based on the fact that the Kennebec River is not swimmable during a heavy downpour or during spring melt, the citizens of the city of Augusta are going to be faced with the expenditure of $30 million. I do not know anyone in this city, but I know that the citizens of Augusta are smart enough to know they do not need to swim in the Kennebec River during a downpour, let alone during spring melt, at least in Maine.

Not only that, other towns and cities, the town of Bridgton water district is now going from testing routinely for 10 to 20 contaminants that, in their professional opinion, were scientifically appropriate to testing for over 280 different contaminants, most of which have no known presence in my State.

I think the provisions of our legislation providing judicial review, providing for a scientific assessment of the need and making sure that the costs are appropriate to the benefits that we can obtain are entirely consistent with what the citizens in my district expect us to do as their representatives.

Mr. BROWN of Ohio. Mr. Chairman, I yield 5 minutes to the gentleman from California [Mr. MINETA].

(Mr. MINETA asked and was given permission to revise and extend his remarks.)

Mr. MINETA. Mr. Chairman, H.R. 1022 mandates a uniform set of regulatory procedures for Federal agencies without flexibility.

Now, while the model used to develop the risk-assessment principles and guidelines included in the bill may fit some cancer risks, it is entirely inappropriate for regulating highway safety, and yet the Department of Transportation is required to follow the same rigid and appropriate procedure to evaluate risks as at EPA, and that simply does not make sense to me.

What I see is that the bill is sacrificing the Federal Government's ability to protect human health and safety or the environment for the sake of maintaining regulatory uniformity. It will produce bad regulations and will create an inflexible process that produces nothing but extra paperwork.

Mr. Chairman, I rise in support of the Brown squared substitute to H.R. 1022. The Brown substitute proposes a reasoned regulatory reform that expands the use of risk assessment and cost-benefit analysis to all major rules with an impact of $100 million or larger.

Now, those rules account for 97 percent of the compliance costs for Federal regulations. So nearly all of the Federal regulatory problem is brought under these reforms.

In addition, the Brown substitute does not expand the right of judicial review, preventing long litigious process to further delay regulatory reform. The substitute establishes a worst-first regulatory priority system so that the highest risks are the focus of regulatory action, not minor risks.

The Brown substitute was worked out between the Commerce and Science Committees and represents a rational approach to reform.

H.R. 1022, on the other hand, moves us in directions we should not be going if our goal is true regulatory reform. The scope of this bill is unknown. It sweeps in so many statutes and programs that even the sponsors of this bill cannot detail all of the current Federal statutes that will be affected or superseded. It allows expanded judicial review of the provisions of this bill and permits anyone with the money to hire a lawyer to take the Federal Government to court for noncompliance with the detailed processes described in the underlying bill.

Worst of all, H.R. 1022 actually adds hundreds of millions of dollars in costs to Federal regulatory efforts. The Federal Government pays more, State governments issuing permits under Federal laws will pay more, and industry will pay more as they have to develop more data to feed the reformed system described in H.R. 1022.

The Brown substitute does not add these costs and specifically states that there will be no unfunded mandate contained in this bill.

And it is my hope that my colleagues will join me in supporting the Brown squared substitute and the real regulatory reform that it proposes.

Mr. WALKER. Mr. Chairman, I yield 1 minute to the gentleman from Florida [Mr. MICA].

(Mr. MICA asked and was given permission to revise and extend his remarks.)

Mr. MICA. Mr. Chairman and my colleagues, I have been slightly involved in this issue during the past year, and again we hear the whines and complaints from the other side.

We had an opportunity last year. We begged, we pleaded, we requested politely to bring this issue before the Congress, and at every juncture our pleas were not heard, and here tonight we have an opportunity to make some of these changes.

They did not hear us on the other side, but the Amercian people heard us, and they said they are tired of being tied up in regulations that make no sense, that put our people out of jobs, that do not address the risks to life, health, safety, and welfare of our people. We want to protect the environment, and we can do a better job protecting the environment, and the money we spend can be spent wisely if we adopt this bill.

I urge you, let us try something new around here. Try something new. Take a minute and read the bill. The bill is a good, well-thought-out measure, and it will protect us. It will do a better job in protecting the environment, and I urge the defeat of the Brown substitute.

We had a chance for that last year, and no one spoke to that. No one gave us that opportunity.

Mr. BROWN of Ohio. Mr. Chairman, I yield 3 minutes to the gentleman from Hawaii [Mr. ABERCROMBIE].

Mr. ABERCROMBIE. Mr. Chairman, while we were discussing these issues in here this evening, it was interesting to observe some of the newscasts tonight. Airline regulation on icing, 68 people dead, going over what needs to be done. People on television saying, ''Oh, if we only had the regulations, and after the experiments are over, we will do the regulations.''

Pesticides for home use, causing cancer in children. We need to have the regulations. It is on the news right now. It is not abstract, the way we are speaking here this evening. It is not anecdotal. These are things happening in our Nation.

Carpal tunnel syndrome, back injuries, ergonomics, the science of physical mechanics: How are we going to prevent increased workers' compensation, increased costs to business, hurting our people, our health care? These are the kinds of things that will be addressed if we taken up the Brown—Brown substitute.

This is what was happening realistically in our world tonight, not the overblown hyperbole that some of which was on the floor tonight.

I want to say I respect the admonitions of my old friend, the gentleman from Pennsylvania [Mr. WALKER], earlier today about speaking about the little guy, and my new friend, the gentleman from Georgia [Mr. NORWOOD]. who said he came here to fight and issued some of the anecdotal examples.

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I can have those as well in Hawaii. We have an absolute intolerance in Hawaii for contamination of our water supply. We cannot afford it. Where I live any contamination of the water supply has immediate disastrous consequences for us. So, these are issues that have to be addressed at the very time when we are supposedly diminishing regulations.

I believe that H.R. 1022 will hurt the little guy, will not address some of the issues that have been presented by some of our good friends on the other side. Now is the time to move toward the kind of regulatory reform as embodied in the Brown substitute and address the real world, the real world of icing on airplanes, pesticides for home use, carpal tunnel syndrome in the work force that exists today, and the kind of regulations for health and safety we have to provide for them.

Mr. BROWN of Ohio. Mr. Chairman, I yield 1 minute to the gentleman from California [Mr. BROWN].

(Mr. BROWN of California asked and was given permission to revise and extend his remarks.)

Mr. BROWN of California. Mr. Chairman, one final point:

I try not to be too sensitive, but my good friend, the gentleman from Pennsylvania [Mr. WALKER]. read some language earlier in the day having to do with comparative risk analysis which I will quote in which he said:

> * * * where appropriate and meaningful, comparisons of those risks with other similar risks regulated by the Federal agency resulting from comparable activities and exposure pathways. Such comparisons should consider relevant distinctions among risks, such as the voluntary or involuntary nature of risks and the preventability or nonpreventability of risks.

As I recall, he kind of ridiculed that language, and I would not mention it except that is the same identical language contained in his bill, and it is the language essentially that was passed by the House last year, and I would hope that he would not use his superior debating skills, which we all acknowledge, to take advantage of a poor old guy like me.

Now, having said that, Mr. Chairman, it seems to me that our amendment is much more consistent than H.R. 1022 with some themes heard with some frequency around here, cutting redtape, et cetera.

Over the last hour or so, we have tried to explain some of the problems that many of us on this side of the aisle have with H.R. 1022. As we have said before, there is a bipartisan consensus that regulatory reform is needed and that risk assessment and cost-benefit analysis are two critical tools that can lead to more reasonable regulations.

Unfortunately, we were not given the time to try to perfect H.R. 1022. Members on both committees had little opportunity to review the bill before markup. The bill itself is a moving target, changing at every new iteration, making it even more difficult for Members to understand what is in it.

But it is clear that H.R. 1022 is fundamentally flawed. If this amendment is defeated, we will be offering other amendments to try to correct some of the more egregious problems in H.R. 1022. No one should be misled into believing, however, that those amendments, if adopted, would cure the faults of H.R. 1022. For that reason, we are offering this substitute to attempt to illustrate what a rational regulatory reform bill could look like.

Make no mistake: This amendment does represent real regulatory reform. It incorporates the best of ideas from a number of bills, including H.R. 650, introduced earlier this year by Mr. ZIMMER. Like H.R. 1022, the amendment would require agencies issuing major rules to conduct risk assessments and cost-benefit analyses. Unlike H.R. 1022, we define major rules as those rules that are likely to result in $100 million or more in annual effects on the U.S. economy—the same threshold chosen by President Reagan over 10 years ago. According to OMB, that threshold captures 97 percent of the economic impact of all Federal rules.

Like H.R. 1022, the amendment also directs each of the major regulatory agencies to: Set regulatory priorities based on the seriousness of the risk and availability of resources, consistent with law; publish peer-reviewed guidelines for conducting scientifically sound risk assessments throughout the agency and ensure regional compliance with those guidelines; provide for independent peer review of the scientific information in risk assessments used in major rules; and describe fully and accurately the range of risks, with disclosure of important assumptions and limitations.

But more important is what this amendment does not do.

It does not override existing health, environment, and safety laws. Congress passed those laws after due consideration and debate. If any changes are to be made, Congress should make them directly to those laws, not through a back-door procedural gimmick.

Unlike H.R. 1022, the amendment does not expand judicial review, leading to endless and wasteful litigation. Courts will be able to review risk assessments and cost-benefit analysis relied on by the agencies in their rules.

Unlike H.R. 1022, the amendment is focused on the rules that truly impact the economy, and will not cost the taxpayers hundreds of millions of dollars every year to do studies on hundreds of regulations that have little impact. We won't need an army of new bureaucrats to carry out the requirements of this amendment.

Unlike H.R. 1022, the amendment does not purport to tell scientists how to do science. Phrases like ''central estimates'' and ''most plausible and unbiased assumptions'' may sound logical, but I can assure you that they have no agreed-upon scientific meaning. After an exhaustive review of EPA risk assessment practices, a congressionally mandated study released last year by the National Research Council of the National Academy of Sciences concluded that EPA's use of conservative default assumptions was sound. At the same time, the NAS encouraged EPA to disclose a range of risks and the limitations and assumptions used. That is precisely what this amendment does. It does not tell scientists how to do risk assessments, but rather requires them to disclose more openly and completely what they have done so that decisionmakers and the public can more easily understand the limits of risk assessments. It is also consistent with the recommendations of the National Commission on Risk Assessment, the congressionally appointed panel preparing recommendations on risk assessment practices.

The amendment would achieve real regulatory reform, but without the costly regulatory morass that would be created by H.R. 1022, and without overriding existing health, environment, and safety laws.

It seems to me that this amendment is much more consistent than H.R. 1022 with some themes heard with some frequency around here these days: cutting redtape, ending unfunded Federal mandates, reducing burdens on industry, cutting the size of the bureaucracy, improving the scientific basis of regulation, and limiting unnecessary litigation.

I urge my colleagues to join me and my distinguished colleague from Ohio, the other Mr. BROWN, in supporting this amendment.

I yield back the balance of my time.

The CHAIRMAN. The gentleman from Pennsylvania is recognized to close debate with 4 minutes remaining.

Mr. WALKER. Mr. Chairman, I thank the gentleman from California [Mr. BROWN] for pointing out the language in our bill, but he left out the most important point which is the point I was

making, and that is that under our bill we say, ''You have to use the risk assessment based upon those things which are familiar to and routinely encountered by the general public.'' That is what he left out, and that is the point. It is that one gets bureaucratic gobbledegook instead of things which are routinely available to the public and which they understand.

Now I was interested a little while ago when the gentleman from Missouri lectured us on the business of the budget. The fact is that the gentleman would check a little bit further on the rules, what he would find out is that there are no Budget Act requirements for discretionary spending. PAYGO does not apply to discretionary spending. We are talking about discretionary spending here. We solve this problem by having less regulations.

I say, ''You wouldn't have $250 million of expenditures if you simply did less regulation; problem solved.''

Now the thing is, the problem for the other side, that they are absolutely right with regard to the brown amendment. The Brown amendment would incur absolutely no additional costs. As a matter of fact, my guess is that the CBO would not even bother to score the Brown amendment because all of the agencies are going to be able to go on doing exactly what they are doing now under the Brown amendment.

For example, the hundred million dollar rule means that EPA, which in 1993 issued about 170 regulations, only about 1 or 2 percent of those would be covered under the Brown amendment. In other words, practically nothing would be done under the Brown amendment. We would end up with the situation just as it is now.

What does that mean? Well, we have heard about $250 million in costs. Two hundred fifty million dollars in costs has to be compared to $490 billion in costs that are being incurred by the economy as a result of regulation, $490 billion being imposed upon middle-class Americans by what the Government does. That is 2,000 times more than what they are talking about in terms of costs of this amendment.

Now, my colleagues, it seems to be that what the American people are worried about is 2,000 times more being done to them than what we do here. They are worried about $490 billion worth of costs that are destroying our ability to compete in the world. We look at global competition, and those regulations are undermining and destroying our ability to compete.

What does the Brown amendment say to $490 billion worth of regulatory costs?

''Keep it, just keep it. Don't do anything. Stop. Status quo. Do what we have done for 40 years, do nothing.''

Defeat the Brown amendment and make certain that as we go toward regulatory reform we do it for real.

Mr. FAZIO of California. Mr. Chairman, I rise in support of the Brown-Brown substitute. The substitute perfects the bill by recognizing the need to incorporate the concepts of risk assessment and cost-benefit analysis into the regulatory rulemaking process.

Regulations must be made in a commonsense manner that recognizes our limited financial resources. Put another way, we cannot implement regulations as if we have an unlimited pot of money to deal with these problems. We have to recognize our fiscal limitations and prioritize the hazards facing us.

The measure requires agencies to set priorities based on the seriousness of the risk and the viability of resources. Using a ''worst first'' approach, the substitute directs each agency to establish regulatory priorities based on the seriousness of the risks to human health, safety, and the environment.

The substitute requires assessments and cost-benefit analysis for all major rules. It requires agencies to compare risks to other comparable risks. It also specifically calls on agencies to state that benefits are likely to justify the costs and that the remedies chosen are cost-effective.

Peer review is essential to the public's faith in agency action. The substitute requires agencies to publish peer-reviewed guidelines for conducting risk assessments and sets forth a mechanism to ensure that the guidelines are enforced uniformly in each region.

Section 7 of the substitute requires each agency to establish a systematic program for independent peer review of risk assessment and economic impact projections of each agency. The agencies are required to respond to this independent peer review. To maintain the integrity of the peer review process, peer reviewers with direct conflicts of interest are excluded.

Finally, the substitute ensures that the right to judicial review is not expanded. It provides much needed certainty by reiterating existing law and emphasizing that it does not give new right to judicial review.

Mr. Chairman, I am proud to support this measure that represents true reform to the regulatory process.

Mr. VENTO. Mr. Chairman, I rise in support of the substitute offered by the gentlemen from California and Ohio.

The substitute amendment before the House is a rational well reasoned response to the need to better judge the efficiency of Federal Rules and Regulations. Frankly, the basic bill H.R. 1022 is a poorly conceived measure which would paralyze the Federal Government's ability to implement a host of environmental, health, safety and energy laws.

Rules and regulations are the wheels that laws are put into effect and H.R. 1022 as presented proposes to slash the tires and immobilize the laws as vehicles to implement the basic policy objectives inherent in the measure passed by the Congress and signed into laws by numerous Presidents.

The measure H.R. 1022 actually increases the complexity of the regulatory process by adding risk assessment and cost benefit analysis. These concepts and models are not some off the shelf material that can be applied in a cook book fashion to the problem at hand a proposed regulatory framework for action to implement a law.

Rather cost benefit and risk assessment exist in vague conceptual terms which will lend themselves to wide interpretation. The measure H.R. 1022 then subjects the entire regulatory process including these controversial new charges to judicial review. This is a formula for expense, controversy and gridlock.

I find it difficult to interpret this as a good faith attempt to deal effectively with red tape and the problems presented by the regulatory process. Rather this basic proposal seems designed to undercut the laws it embraces and to frustrate the implementation of sound policy. Certainly federal regulations and law are in numerous instances in need of change and sometimes counter productive, but this effort to circumvent the application and effectiveness of law is very troublesome.

The Brown-Brown substitute eliminates most of the defects of the basic bill, raising the threshold, making clear that this law is regulatory reform not a wholesale assault of environment, safety health and energy law. Furthermore the substitute eliminates the conflicts of interest on the peer review section by excluding special interests from drafting the studies and the rules themselves.

The substitute builds upon regulatory reform supported by and instituted by the past three administrations and enacted in the Department of Agriculture Reorganization Act of 1994. Judicial review is limited to the basic provisions of the Administrative Procedure Act making certain and predictable the flow of regulations rather than a rush for the court house when an interested party wants to delay a regulatory decision.

Many features of the substitute respond to the need for regulatory reform by setting rule making priorities, including risk assessment and cost benefit, but the substitute recognizes the difference between agencies and permits rules and analysis unique to such process. Most importantly the substitute permits the scientists to do science rather than super-imposing a political frame work and models upon the work that they are required to do by the law as is advanced in the basic measure H.R. 1022.

The basic measure H.R. 1022 is estimated to cost over 250 million dollars and frankly it would be taxpayer money poorly expended because it will be purchasing more red tape, more controversy and delay with regards to the implementation of law.

The basic measure seems a thinly veiled attempt to undercut a myriad of federal law that the proponents lack the overt support to achieve directly, but rather have chosen to put up a straw man argument of regulatory red tape and expense behind which they will achieve the gutting of basic environmental, safety, health, and energy policy which are in the public interest.

The Brown and Brown substitute answers the call for regulatory reform while preserving, not undercutting the basic laws; the existing problems that we face today are complex—certainly the environment, health, safety and energy laws must reflect that, we as a Congress must not sacrifice sound policy to the politically motivated that would undercut basic law. I urge my colleagues to support the substitute and oppose the basic bill, H.R. 1022.

The CHAIRMAN. The question is on the amendment in the nature of a substitute offered by the gentleman from California [Mr. BROWN].

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. BROWN of Ohio. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 174, noes 246, not voting 14, as follows:

[Roll No. 176]

AYES—174

Abercrombie
Ackerman
Andrews
Baldacci
Barcia
Barrett (WI)
Beilenson
Bentsen
Berman
Bevill
Bishop
Boehlert
Bonior
Borski
Boucher
Browder
Brown (CA)
Brown (FL)
Brown (OH)
Bryant (TX)
Cardin
Clay
Clayton
Clement
Clyburn
Coleman
Collins (IL)
Collins (MI)
Conyers
Costello
Coyne
Cramer
Danner
de la Garza
DeFazio
DeLauro
Dellums
Deutsch
Dingell
Dixon
Doggett
Doyle
Durbin
Engel
Eshoo
Evans
Farr
Fattah
Fazio
Fields (LA)
Filner
Foglietta
Ford
Frank (MA)
Frost
Furse
Gejdenson
Gephardt
Gilchrest
Gilman
Gordon
Green
Gutierrez
Hall (OH)
Hamilton
Harman
Hastings (FL)
Hefner
Hilliard
Hinchey
Holden
Hoyer
Jackson-Lee
Jacobs
Jefferson
Johnson (SD)
Johnson, E. B.
Johnston
Kanjorski
Kaptur
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kleczka
Klink
LaFalce
Lantos
Levin
Lewis (GA)
Lincoln
Lofgren
Lowey
Luther
Maloney
Manton
Markey
Martinez
Mascara
Matsui
McCarthy
McDermott
McHale
Meehan
Meek
Menendez
Miller (CA)
Mineta
Minge
Mink
Moakley
Moran
Morella
Murtha
Nadler
Neal
Oberstar
Obey
Olver
Owens
Pallone
Pastor
Payne (NJ)
Payne (VA)
Pelosi
Peterson (FL)
Pomeroy
Porter
Reed
Reynolds
Richardson
Rivers
Roemer
Rose
Roukema
Roybal-Allard
Sabo
Sanders
Sanford
Sawyer
Schroeder
Schumer
Scott
Serrano
Shays
Skaggs
Slaughter
Spratt
Stark
Stokes
Studds
Stupak
Tanner
Thompson
Thornton
Torres
Torricelli
Towns
Traficant
Tucker
Velazquez
Vento
Visclosky
Volkmer
Ward
Waters
Watt (NC)
Waxman
Wise
Woolsey
Wyden
Wynn
Yates
Zimmer

NOES—246

Allard
Archer
Armey
Bachus
Baesler
Baker (CA)
Baker (LA)
Ballenger
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bereuter
Bilbray
Bilirakis
Bliley
Blute
Boehner
Bonilla
Bono
Brewster
Brownback
Bryant (TN)
Bunn
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Canady
Castle
Chabot
Chambliss
Chapman
Chenoweth
Christensen
Chrysler
Clinger
Coble
Coburn
Collins (GA)
Combest
Condit
Cooley
Cox
Crane
Crapo
Cremeans
Cubin
Cunningham
Davis
Deal
DeLay
Diaz-Balart
Dickey
Dooley
Doolittle
Dornan
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
English
Ensign
Everett
Ewing
Fawell
Fields (TX)
Flanagan
Foley
Forbes
Fowler
Fox
Franks (CT)
Franks (NJ)
Frelinghuysen
Frisa
Funderburk
Ganske
Gekas
Geren
Gillmor
Goodlatte
Goodling
Goss
Graham
Greenwood
Gunderson
Gutknecht
Hall (TX)
Hancock
Hansen
Hastert
Hastings (WA)
Hayes
Hayworth
Hefley
Heineman
Herger
Hilleary
Hobson
Hoekstra
Hoke
Horn
Hostettler
Houghton
Hutchinson
Hyde
Inglis
Istook
Johnson (CT)
Johnson, Sam
Jones
Kasich
Kelly
Kim
King
Kingston
Klug
Knollenberg
Kolbe
LaHood
Largent
Latham
LaTourette
Laughlin
Lazio
Leach
Lewis (CA)
Lewis (KY)
Lightfoot
Linder
Livingston
LoBiondo
Longley
Lucas
Manzullo
Martini
McCollum
McCrery
McDade
McHugh
McInnis
McIntosh
McKeon
McNulty
Metcalf
Meyers
Mica
Miller (FL)
Molinari
Mollohan
Montgomery
Moorhead
Myers
Myrick
Nethercutt
Neumann
Ney
Norwood
Nussle
Ortiz
Orton
Oxley
Packard
Parker
Paxon
Peterson (MN)
Petri
Pickett
Pombo
Portman
Poshard
Pryce
Quillen
Quinn
Radanovich
Ramstad
Regula
Riggs
Roberts
Rogers
Rohrabacher
Ros-Lehtinen
Roth
Royce
Salmon
Saxton
Scarborough
Schaefer
Schiff
Seastrand
Sensenbrenner
Shadegg
Shaw
Shuster
Sisisky
Skeen
Skelton
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Solomon
Souder
Spence
Stearns
Stenholm
Stockman
Stump
Talent
Tate
Tauzin
Taylor (MS)
Taylor (NC)
Tejeda
Thomas
Thornberry
Thurman
Tiahrt
Torkildsen
Upton
Vucanovich
Waldholtz
Walker
Walsh
Wamp
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Williams
Wolf
Young (AK)
Young (FL)
Zeliff

NOT VOTING—14

Becerra
Dicks
Flake
Gallegly
Gibbons
Gonzalez
Hunter
Lipinski
McKinney
Mfume
Rahall
Rangel
Rush
Wilson

□ 2053

Mr. HALL of Texas changed his vote from ''aye'' to ''no.''

So the amendment in the nature of a substitute was rejected.

The result of the vote was announced as above recorded.

The CHAIRMAN. Are there further amendments?

AMENDMENT OFFERED BY MR. CRAPO

Mr. CRAPO. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. CRAPO: page 5, after line 18, insert:

(5) EMERGENCY.—As used in this Act, the term ''emergency'' means a situation that is immediately impending and extraordinary in nature, demanding attention due to a condition, circumstance, or practice reasonably expected to cause death, serious illness, or severe injury to humans, or substantial endangerment to private property or the environment if no action is taken.

Mr. CRAPO. Mr. Chairman, we have just had a significant debate about the importance of cost-benefit analysis. But there is one concern with this legislation that I think needs to be addressed. The legislation provides that the requirements of this act do not apply if the director of any agency subject to the act or the head of any such agency declares an emergency to exist.

□ 2100

The problem is that there is no definition in the act of what constitutes an emergency. Those of us who have had experience, whether it be in the legislative arena or in a regulatory arena, with a declaration of an emergency, know that it is very easy to declare an emergency. This leaves a loophole in the act that is probably big enough to drive a truck through.

The purpose of this amendment, which is very short and straightforward, is to provide a very carefully crafted, tight definition of what an emergency is. It requires the head of an agency to determine that there is some situation that is immediately impending, extraordinary in nature, and that it demands attention due to a condition, circumstance, or practice reasonably expected to cause death, serious illness, or severe injury to humans, or substantial endangerment to private property or the environment if no action is taken.

The purpose of this is to make it clear that agencies are not entitled under this legislation and under the emergency provisions of this legislation to simply declare an emergency without good, substantial justification.

In the committee report, on page 28, it says that ''The mere existence of the usual kind and level of risk which any statute subject to this title is designed to regulate does not constitute an emergency.''

Again, the purpose of this is to make it so that the requirements of this act in all cases except a true emergency, where there is an immediately impending danger, extraordinary in nature, demanding immediate attention, under the circumstances designated in this amendment. In only those circumstances can the head of an agency declare an emergency and avoid the application of this statute.

Mr. Chairman, I think it is very important that we impose this kind of control over the statute, and require that the agencies not use this provision as a loophole.

Mr. BARTON of Texas. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, I have worked on this bill in both the Committee on Science and in the Committee on Commerce. The gentleman from Idaho, Mr. CRAPO, is absolutely correct, there is no definition of emergency.

I think the gentleman's definition is well within the spirit and the intent of the legislation. It is well crafted, it is tightly drawn, it is very concise. Any member who plans to support the legislation would certainly not go against any other option if they vote for this amendment. I would hope that we will adopt it.

In the interests of time, I would hope we would adopt it by a voice vote.

Mr. BROWN of Ohio. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I oppose this amendment because it narrows the definition of ''emergency.'' During the hearings that we had, as brief as they may have been, as uncomplete as they were, we heard witness after witness come in front of the committee concerned about the lack of flexibility given to the agencies to be able to deal with an emergency. This narrows the language even more by constructing a very narrow definition of ''emergency.''

Let me give two or three examples. When the Centers for Disease Control receive information about severe outbreaks of illness related to chryptosporidia, it can act to ensure that the outbreak of the illness is limited.

Prompt action is essential; not more lawyers, not more bureaucracy, not more government, not more Rube Goldberg ways to stop these agencies from acting quickly in an emergency basis, in imminent endangerment of the public.

When contaminated blood, another example, can be removed from hospitals and blood banks before it is used, before it infects some unsuspecting victim with HIV, the public health is protected, people's safety is protected.

Mr. Chairman, let me give another example. When a local nuclear reactor is not running quite right, should the NRC have to wait for a meltdown before it can react? Obviously not. They ought to be able to anticipate prior to an emergency, again to protect the health and protect public safety. It simply makes sense.

This amendment takes away any flexibility, and is one more example of adding to bureaucracy, meaning more lawyers, more government, more litigation, going in the exact opposite direction that people in this country want.

I ask for a defeat of the amendment. Tomorrow there will be an amendment to make sure that they have the authority, that agencies have the flexibility, to act to prevent an emergency situation to protect people's public health and public safety.

Mr. SCHAEFER. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise in strong support of the Crapo amendment to the Risk and Cost-Benefit Act of 1995, and I would commend the gentleman from Idaho for offering it.

Mr. Chairman, the emergency situation provisions is an important part of this legislation. It provides flexibility for unforeseen threats to public health and safety. However, an ill-defined standard of what actually constitutes an emergency creates a gaping loophole for improperly opting out of the review requirements. Without a standard definition, agency heads could be confused as to when they can exercise their authority.

The emergency situation provision delegates a great deal of authority of the Federal agencies in carrying out the spirit of this important legislation. However, this delegated authority should not be misinterpreted by agencies as giving them wide latitude in applying the provision. Consequently, it is imperative that lawmakers make the definition of the emergency situations provision very clear. The Crapo amendment achieves this goal.

Mr. Chairman, this amendment provides a very reasonable gauge of an emergency situation for Federal agencies to know when they can abbreviate the risk assessment and cost-benefit analysis requirement. I urge my colleagues to support this well thought out modification to the bill.

Mr. TAUZIN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the Crapo amendment. Mr. Chairman, the argument is made that the Crapo amendment defining what an emergency is in the bill is too tightly drawn, perhaps too restrictive of the word ''emergency.''

Let me argue the contrary. The bill provides an exception to the act. It says that an agency that is undertaking a rulemaking does not necessarily have to do risk analysis, risk characterization, when an emergency exists in the making of a rule.

It does not say that risk analysis cost-benefit performance must be conducted on every agency action, carrying out an existing rule. To carry out a rule that already exists, the agency simply performs its function. It is in the new rulemaking, in the execution of new rulemaking decisions, that the act requires a risk assessment, risk characterization, and cost-benefit analysis.

It provides an exception even in that case. Even when it needs to move swiftly on a rule, if in fact it finds an emergency, it can avoid the very necessary requirements of looking at cost, looking at risk, and doing a relative analysis of the two.

The bill says that ''You can avoid this bill any time the agency head declares an emergency.'' I remember we had a rule in the sessions in Louisiana that you could only pass taxes in an off year, but the Governor wanted to pass it one year and it was not the right year.

He asked his advisor ''What can I do?'' He said ''You can declare an emergency.'' He said ''What is going to be the emergency?'' The emergency was that it was the wrong year to pass taxes, so he declared the emergency and proceeded. It was, of course, contested in court. Here the effort is to define ''emergency'' in a clear and concise way.

I want to call Members' attention to the words chosen by the gentleman from Idaho [Mr. CRAPO] in his amendment. If this amendment were restrictively written, we would probably see a lot of ''ands'' in it: ''you have to find this and that and this and that'' before you find an emergency.

However, look at the words. It says that ''It is immediately impending.'' What is an emergency if it is not immediately impending? It says it is extraordinary in nature. That indeed is the nature of an emergency. It says that it demands attention due a condition, circumstance, or practice reasonably expected to cause death, serious illness, or severe injury to humans, or substantial endangerment to private property or the environment if no action is taken.

On the contrary, this amendment is drawn to cover all of the real emergencies that should be useful in avoiding the real necessities of risk assessment cost-benefit analysis, when there is a real impending emergency.

Without this language, Mr. Chairman, any agency head can use that term ''emergency'' to avoid this act. With this language, with all of the ''R''s in it, you have to find something real that is present, that is pending, that is extraordinary, and can in fact cause damage to health or environment or to humans or to private property or to the environment itself before the agency can avoid this bill.

If this bill is worth passing, this amendment is necessary to make sure that agency heads abide by it. Remember, we are talking about rulemaking, not agency action. We are talking about rulemaking, and to make a new rule, you ought to follow this bill. If you do not want to follow this bill, there ought to be a real, impending, extraordinary emergency why, to make a new rule, you will not follow this bill.

I urge adoption of the amendment offered by the gentleman from Idaho.

Mr. BLILEY. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in strong support of the amendment.

Mr. CRAPO. Mr. Chairman, will the gentleman yield?

Mr. BLILEY. I yield to the gentleman from Idaho.

Mr. CRAPO. Mr. Chairman, I thank the gentleman from Virginia for yielding to me.

I would just like to respond on some of the issues that have been raised. It is very easy to raise the specter of a big problem that will occur if we do not have a very broad emergency language, but the examples given just do not fit it.

First of all, it says that serious illnesses that were considered would come under the jurisdiction of the Centers for Disease Control, which is not covered by this legislation; the same situation, at least to the contaminated blood issue; the nuclear reactor situation that was raised.

I would like to take each of these, whether we are talking about a threat to contamination of the blood supply, whether we are talking about a serious illness that is threatening the public,

or whether we are talking about a danger with a nuclear reactor.

What does this provision provide? It says that if you can find that there is a problem that is immediately pending, that is what we are talking about with those examples. It says it is extraordinary in nature; that is exactly what we are talking about, and that it presents a threat to the environment or is reasonably expected to cause death or serious illness, or severe injury to humans, substantial endangerment to private property or the environment. Any of those examples will trigger this.

As the gentleman from Louisiana [Mr. TAUZIN] has said, we have plenty of opportunity in here for an emergency to be declared in a real emergency. What we are trying to do is tighten that loophole so it is not so big that the exclusion eats the rule; so that this legislation, which is carefully crafted to address meaningful problems in our society, is not simply swept aside each time the agency head feels that there is a difficulty in facing the problem, and that they have to declare an emergency.

We have to put parameters on what constitutes an emergency. We have to make this bill mean it when we say we want to have real cost-benefit analysis.

Mr. WALKER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in favor of the amendment. I simply would point out that the language that the gentleman has offered tracks language on page 28 of the committee report. The committee report was very specific in not wanting to have emergencies defined as being something that is manufactured at the agencies, but that emergencies should be real emergencies, so the committee report language makes that clear.

The gentleman has tracked in his amendment that language in a very close fashion, and it is, therefore, acceptable to us.

Mr. BARTLETT of Maryland. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of this very common sense bill and this very common sense amendment. This is just the kind of legislation that the American people anticipated when they went to the polls last November 8.

There are a couple of axioms from our heritage that I think are applicable to situations like this.

□ 2115

It has oft been said by our fathers and grandfathers that the cure should not be worse than the disease.

If we look back at many of our regulations which are now in effect, the cure has very often been worse than the disease, and one can cite as a good example of this the asbestos cleanup in our schools, costing billions of dollars and creating more environmental hazard than if it had been contained and left alone.

There is another observation made by an old country sage that put into very few words what this institution has sometimes had difficulty in understanding. His remark when trying to express his concern that the effort was not justified by the results, he would say, ''The juice ain't worth the squeezing.''

I suggest that there are a great many of our regulations of which this could be said.

I think that the American people expect that in any of these regulations, that the juice should be worth the squeezing, and this very commonsense bill and this very commonsense amendment will make sure of that.

As a matter of fact, Mr. Chairman, it might be retitled, the cost-benefit analysis bill to assure that in all future regulations, the juice is going to be worth the squeezing.

Mr. VENTO. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, this is an interesting amendment that my colleague makes because the presumption that you have to make is that somehow the administers, those at the executive branch of our Government somehow are not going to operate in good faith in terms of the emergency declaration. I suppose a further definition of that will help my colleagues so that we can be sure to get cost-benefit analysis and risk assessment.

I understand my colleagues want a lot more information with regards to these issues before we take action. I notice, though, Mr. Chairman, on page 12 of this bill, under the exceptions, this title does not apply to the risk assessment or risk characterization document containing risk assessment or risk characterization performed with respect to the following.

On page 12, what do we have? The sale or lease of Federal resources or regulatory activities that directly result in the collection of Federal receipts.

Like what? Well, perhaps like mining receipts, or grazing receipts, or timber receipts, or oil receipts. In other words, a cost-benefit analysis and risk assessment, that is wonderful for all of the regulations that are conjured up as causing all sorts of difficulty in this country, but apparently when it comes to timber roads, when it comes to mining, when it comes to exploitation and the government not being able to meet the bottom line when it comes out red with regards to a timber sale or when it comes out red with regards to mining when we are left with the cleanup and the cyanide and all the other problems that are associated with that, as long as it comes in in terms of bringing back some receipt from those water projects, you know, we may be losing $5 for every $1 we pick up, but the fact is then we do not want any cost-benefit analysis or risk.

When we have oil spills, we do not want any cost-benefit analysis. In fact, the gentleman from Pennsylvania that is rising to his feet implied earlier today that the Brown amendment did not cover the Corps of Engineers. I do not know if that was the case or not.

He was suggesting why was the Corps of Engineers excluded from this amendment? After all, we know the Corps of Engineers is responsible for significant water projects and activities across the land. He proclaimed broadly how important it was and that that was excluded.

Well, under the precepts that we have here, as I understand the gentleman's bill, now, this amendment was not put in in either committee, the Commerce Committee or the Science Committee, but all of a sudden it appears in this final version of the bill.

I would just suggest to the gentleman under the provisions of the bill that he has so artfully worked on, he has excluded many of those same water projects because they are involved in the collection of Federal receipts.

Mr. WALKER. Mr. Chairman, will the gentleman yield?

Mr. VENTO. I yield briefly to the gentleman from Pennsylvania.

Mr. WALKER. The gentleman said that this had something to do with cost-benefit. It does not.

The language that he refers to is only with regard to risk assessment. Cost-benefit analysis would be covered, so the gentleman would stand corrected.

Mr. VENTO. That is not the way I understand the gentleman's bill as I look at the gentleman's bill.

Mr. WALKER. The language on page 12 only applies to title I. It does not apply to title II.

Mr. VENTO. The gentleman is suggesting that we will do cost-benefit analysis of the leasing and of the water projects and we will do a cost-benefit of those under the provisions of the gentleman's bill?

Mr. WALKER. As long as it has a $25 million impact, I would tell the gentleman.

Mr. VENTO. I thank the gentleman, and I will continue to read this. But it seems to me that the provisions in this does exclude the risk analysis and the other provisions of the bill from these very projects that the gentleman suggests that he covers.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Idaho [Mr. CRAPO].

The amendment was agreed to.

Mr. WALKER. 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. KINGSTON] having assumed the chair, Mr. HASTINGS of Washington, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill, (H.R. 1022) to provide regulatory reform and to focus national economic resources on the greatest risks to human health, safety,

and the environment through scientifically objective and unbiased risk assessments and through the consideration of costs and benefits in major rules, and for other purposes, had come to no resolution thereon.

PERMISSION FOR CERTAIN COMMITTEES TO SIT TOMORROW, TUESDAY, FEBRUARY 28, 1995, DURING 5-MINUTE RULE

Mr. WALKER. Mr. Speaker, I ask unanimous consent that the following committees and their subcommittees be permitted to sit tomorrow while the House is meeting in the Committee of the Whole House under the 5-minute rule.

The Committee on Agriculture;

The Committee on Banking and Financial Services;

The Committee on Government Reform and Oversight;

The Committee on House Oversight;

The Committee on the Judiciary;

The Committee on National Security;

The Committee on Small Business; and

The Committee on Transportation and Infrastructure;

It is my understanding that the minority has been consulted and that there is no objection to these requests.

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

Ms. WATERS. Mr. Speaker, reserving the right to object, we have consulted with the ranking member on our side and have no objection to this request.

Mr. Speaker, I withdraw my reservation of objection.

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

There was no objection.

SPECIAL ORDERS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 4, 1995, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

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

[Mr. DUNCAN addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

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

[Mr. OWENS addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

COMMUNICATION FROM THE CHAIRMAN OF THE COMMITTEE ON THE BUDGET REGARDING CURRENT LEVELS OF SPENDING AND REVENUES FOR FISCAL YEARS 1995–1999

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

Mr. KASICH. Mr. Speaker, on behalf of the Committee on the Budget and pursuant to sections 302 and 311 of the Congressional Budget Act, I am submitting for printing in the CONGRESSIONAL RECORD an updated report on the current levels of on-budget spending and revenues for fiscal year 1995 and for the 5-year period fiscal year 1995 through fiscal year 1999.

This report is to be used in applying the fiscal year 1995 budget resolution (H. Con. Res. 218), for legislation having spending or revenue effects in fiscal years 1995 through 1999.

HOUSE OF REPRESENTATIVES,
COMMITTEE ON THE BUDGET,
Washington, DC, February 27, 1995.

Hon. NEWT GINGRICH,
Speaker, House of Representatives,
Washington, DC.

DEAR MR. SPEAKER: To facilitate application of sections 302 and 311 of the Congressional Budget Act, I am transmitting a status report on the current levels of on-budget spending and revenues for fiscal year 1995 and for the 5-year period fiscal year 1995 through fiscal year 1999.

The term ''current level'' refers to the amounts of spending and revenues estimated for each fiscal year based on laws enacted or awaiting the President's signature as of February 27, 1995.

The first table in the report compares the current level of total budget authority, outlays, and revenues with the aggregate levels set by H. Con. Res. 218, the concurrent resolution on the budget for fiscal year 1995. This comparison is needed to implement section 311(a) of the Budget Act, which creates a point of order against measures that would breach the budget resolution's aggregate levels. The table does not show budget authority and outlays for years after fiscal year 1995 because appropriations for those years have not yet been considered.

The second table compares the current levels of budget authority, outlays, and new entitlement authority of each direct spending committee with the ''section 602(a)'' allocations for discretionary action made under H. Con. Res. 218 for fiscal year 1995 and for fiscal years 1995 through 1999. ''Discretionary action'' refers to legislation enacted after adoption of the budget resolution. This comparison is needed to implement section 302(f) of the Budget Act, which creates a point of order against measures that would breach the section 602(a) discretionary action allocation of new budget authority or entitlement authority for the committee that reported the measure. It is also needed to implement section 311(b), which exempts committees that comply with their allocations from the point of order under section 311(a). The section 602(a) allocations printed in the conference report on H. Con. Res. 218 (H. Rept. 103–490) have been revised to reflect the changes in committee jurisdiction as specified in the Rules of the House of Representatives adopted on January 4, 1995.

The third table compares the current levels of discretionary appropriations for fiscal year 1995 with the revised ''section 602(b)'' suballocations of discretionary budget authority and outlays among Appropriations subcommittees. This comparison is also needed to implement section 302(f) of the Budget Act, since the point of order under that section also applies to measures that would breach the applicable section 602(b) suballocation. The revised section 602(b) suballocaitons were filed by the Appropriations Committee on September 1, 1994.

The aggregate appropriate levels and allocations reflect the adjustments required by section 25 of H. Con. Res. 218 relating to additional funding for the Internal Revenue Service compliance initiative.

Sincerely,

JOHN R. KASICH,
Chairman.

REPORT TO THE SPEAKER FROM THE COMMITTEE ON THE BUDGET

STATUS OF THE FISCAL YEAR 1995 CONGRESSIONAL BUDGET ADOPTED IN HOUSE CONCURRENT RESOLUTION 218

REFLECTING ACTION COMPLETED AS OF FEBRUARY 22, 1995

[On-budget amounts, in millions of dollars]

	Fiscal year 1995	Fiscal year 1995–99
Appropriate level (as set by H. Con. Res. 218):		
Budget Authority	1,238,705	6,892,705
Outlays	1,217,605	6,767,805
Revenues	977,700	5,415,200
Current level:		
Budget Authority	1,236,489	NA
Outlays	1,217,181	NA
Revenues	978,466	5,384,858
Current level over (+)/under (−) appropriate level:		
Budget Authority	−2,216	NA
Outlays	−424	NA
Revenues	766	−30,342

Note.—NA=Not applicable because annual appropriations acts for fiscal years 1997 through 1999 will not be considered until future sessions of Congress.

BUDGET AUTHORITY

Enactment of measures providing more than $2.216 billion in new budget authority for FY 1995 (if not already included in the current level estimate) would cause FY 1995 budget authority to exceed the appropriate level set by H. Con. Res. 218.

OUTLAYS

Enactment of measures providing new budget or entitlement authority that would increase FY 1995 outlays by more than $.424 billion (if not already included in the current level estimate) would cause FY 1995 outlays to exceed the appropriate level set by H. Con. Res. 218.

REVENUES

Enactment of any measures producing any net revenue loss of more than $766 million in FY 1995 (if not already included in the current level estimate) would cause FY 1995 revenues to fall below the appropriate level set by H. Con. Res. 218.

Enactment of any measure producing any net revenue loss for the period FY 1995 through FY 1999 (if not already included in the current level estimate) would cause revenues for that period to fall further below the appropriate level set by H. Con. Res. 218.

DIRECT SPENDING LEGISLATION—COMPARISON OF CURRENT LEVEL WITH COMMITTEE ALLOCATIONS PURSUANT TO BUDGET ACT SECTION 602(a)

[Fiscal years, in millions of dollars]

	1995			1995–1999		
	BA	Outlays	NEA	BA	Outlays	NEA
House committee:						
Agriculture:						
Allocation	0	0	0	0	0	4,861
Current level	499	−155	0	497	−152	0
Difference	499	−155	0	497	−152	−4,861
National Security:						
Allocation	0	0	0	0	0	0
Current level	42	34	0	221	210	82
Difference	42	34	0	221	210	82
Banking, Finance and Urban Affairs:						
Allocation	0	0	0	0	0	0
Current level	−25	−25	0	−75	−75	0
Difference	−25	−25	0	−75	−75	0
Economic and Educational Opportunities:						
Allocation	0	0	309	0	0	5,943
Current level	8	−13	297	104	81	1,674
Difference	8	−13	−12	104	81	−4,269
Commerce:						
Allocation	0	0	0	0	0	0
Current level	0	0	0	0	0	0
Difference	0	0	0	0	0	0
International Relations:						
Allocation	0	0	0	0	0	0
Current level	5	4	0	11	11	0
Difference	5	4	0	11	11	0
Government Reform & Oversight:						
Allocation	0	0	0	0	0	0
Current level	0	0	0	4	4	−3
Difference	0	0	0	4	4	−3
House Oversight:						
Allocation	0	0	0	0	0	0
Current level	0	0	0	0	0	0
Difference	0	0	0	0	0	0
Resources:						
Allocation	0	0	0	0	0	0
Current level	−8	−5	4	0	−2	4
Difference	−8	−5	4	0	−2	4
House committee:						
Judiciary:						
Allocation	0	0	0	0	0	0
Current level	−59	−59	0	−6	−6	0
Difference	−59	−59	0	−6	−6	0
Transportation and Infrastructure:						
Allocation	2,161	0	0	64,741	0	0
Current level	2,161	0	0	4,375	0	0
Difference	0	0	0	−60,366	0	0
Science:						
Allocation	0	0	0	0	0	0
Current level	0	0	0	0	0	0
Difference	0	0	0	0	0	0
Small Business:						
Allocation	0	0	0	0	0	0
Current level	0	0	0	0	0	0
Difference	0	0	0	0	0	0
Veterans' Affairs:						
Allocation	0	0	340	0	0	5,743
Current level	2	2	334	3	3	1,888
Difference	2	2	−6	3	3	−3,855
Ways and Means:						
Allocation	0	0	0	0	0	214
Current level	44	−37	98	−3,674	−5,711	−3,655
Difference	44	−37	98	−3,674	−5,711	−3,869
Total authorized:						
Allocation	2,161	0	649	64,741	0	16,761
Current level	2,669	−254	733	1,460	−5,637	−10
Difference	508	−254	84	−63,281	−5,637	−16,771

DISCRETIONARY APPROPRIATIONS FOR FISCAL YEAR 1995—COMPARISON OF CURRENT LEVEL WITH SUBALLOCATIONS PURSUANT TO BUDGET ACT SECTION 602(b)

[In millions of dollars]

	Revised 602(b) suballocations (September 21, 1994)				Current level				Difference			
	General purpose		Violent crime		General purpose		Violent crime		General purpose		Violent crime	
	BA	O	BA	O	BA	O	BA	O	BA	O	BA	O
Agriculture, Rural Development	13,397	13,945	0	0	13,396	13,945	0	0	−1	0	0	0
Commerce, Justice, State	24,031	24,247	2,345	667	24,001	24,247	2,345	667	−30	0	0	0
Defense	243,432	250,515	0	0	243,430	250,463	0	0	−2	−52	0	0
District of Columbia	720	722	0	0	712	714	0	0	−8	−8	0	0
Energy and Water Development	20,493	20,888	0	0	20,493	20,884	0	0	0	−4	0	0
Foreign Operations	13,785	13,735	0	0	13,634	13,735	0	0	−151	0	0	0
Interior	13,521	13,916	0	0	13,517	13,916	0	0	−4	0	0	0
Labor, HHS and Education	69,978	69,819	38	8	69,978	69,819	38	7	0	0	0	−1
Legislative Branch	2,368	2,380	0	0	2,367	2,380	0	0	−1	0	0	0
Military Construction	8,837	8,553	0	0	8,836	8,525	0	0	−1	−28	0	0
Transportation	13,704	36,513	0	0	13,694	36,513	0	0	−10	0	0	0
Treasury-Postal Service	11,741	12,256	40	28	11,575	12,220	39	28	−166	−36	−1	0
VA-HUD-Independent Agencies	70,418	72,781	0	0	70,417	72,780	0	0	−1	−1	0	0
Reserve	2,311	6	0	0	0	0	0	0	−2,311	−6	0	0
Grand total	508,736	540,276	2,423	703	506,050	540,141	2,422	702	−2,686	−135	−1	−1

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, February 22, 1995.

Hon. JOHN KASICH,
Chairman, Committee on the Budget,
House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: Pursuant to section 308(b) and in aid of section 311 of the Congressional Budget Act, as amended, this letter and supporting detail provide an up-to-date tabulation of the on-budget current levels of new budget authority, estimated outlays, and estimated revenues for fiscal year 1995. These estimates are compared to the appropriate levels for those items contained in the 1995 Concurrent Resolution on the Budget (H. Con. Res. 218), and are current through February 21, 1995. A summary of this tabulation follows:

[In millions of dollars]

	House current level	Budget resolution (H. Con. Res. 218)	Current Level +/− resolution
Budget authority	1,236,489	1,238,705	−2,216
Outlays	1,217,181	1,217,605	−424
Revenues:			
1995	978,466	977,700	766
1999	5,384,858	5,415,200	−30,342

This is my first report for the first session of the 104th Congress.

Sincerely,

JAMES L. BLUM
(For Robert D. Reischauer, Director).

PARLIAMENTARIAN STATUS REPORT, 104TH CONGRESS, 1ST SESSION, HOUSE ON-BUDGET SUPPORTING DETAIL FOR FISCAL YEAR 1995 AS OF CLOSE OF BUSINESS FEBRUARY 21, 1995

[In millions of dollars]

	Budget authority	Outlays	Revenues
Enacted in Previous Sessions			
Revenues	.....	.....	978,466
Permanents and other spending legislation	750,343	706,271	.....
Appropriation legislation	738,096	757,783	.....
Offsetting receipts	(250,027)	(250,027)	.....
Total previously enacted	1,238,412	1,214,027	978,466
Entitlements and Mandatories			
Budget resolution baseline estimates of appropriated entitlements and other mandatory programs not yet enacted	(1,923)	3,154	.....
Total current level [1]	1,236,489	1,217,181	978,466
Total budget resolution	1,238,705	1,217,605	977,700
Amount remaining:			
Under budget resolution	2,216	424	.....
Over budget resolution	.....	.....	766

[1] In accordance with the Budget Enforcement Act, the total does not include $1,394 million in budget authority and $6,466 in outlays for funding of emergencies that have been designated as such by the President and the Congress, and $877 million in budget authority and $935 million in outlays for emergencies that would be available only upon an official budget request from the President designating the entire amount requested as an emergency requirement.

Notes: Numbers in parentheses are negative. Detail may not add due to rounding.

AFFIRMATIVE ACTION

The SPEAKER pro tempore. Under the Speaker's announced policy of January 4, 1995, the gentleman from Mississippi [Mr. THOMPSON] is recognized for 60 minutes as the designee of the minority leader.

Mr. THOMPSON. Tonight, Mr. Speaker, several of my colleagues and I will talk on affirmative action.

Last week, as you know, we started talking about it, Congressman CLYBURN and some others, and we will be moving forward as the night goes on.

What I would like to do, though, is start until my colleagues come to say that as most of us know, this is a real difficult issue that is grasping the whole country. We would like to make sure that as the dialog continues that everyone would look upon affirmative action as something that clearly is the litmus test for us all.

Congressman CLYBURN, who is coming in as I talk, will lead the discussion on the historical approach to affirmative action along with some other Members.

Mr. Speaker, it is important for us to realize that affirmative action is a key discussion going on. In all States, there are discussions taking place saying whether or not this country is colorblind or whether or not we should move forward with affirmative action at all. Clearly it is a divisive issue. It is an issue that all of us are concerned about.

The Congressional Black Caucus, the National Association for the Advancement of Colored People, all organizations of good will, have started looking at this issue and are very concerned about it. Clearly what we would like to do tonight, and my colleague the gentleman from South Carolina [Mr. CLYBURN] is here, is begin the discussion on historical perspective around affirmative action in this country and from that we will move forward.

Mr. Speaker, I yield to my colleague, the gentleman from South Carolina [Mr. CLYBURN], after which time I will retain the hour.

Mr. CLYBURN. I thank my good friend, the gentleman from Mississippi [Mr. THOMPSON], for getting us started on this discussion this evening.

Mr. Speaker, all weekend I listened to the various talk shows, I listened to all of the Sunday morning newscasts, and in every instance we heard people discussing this issue of affirmative action, whether or not we have reached a point in our existence when affirmative action is no longer needed.

□ 2130

Let me begin, Mr. Speaker, by looking at affirmative action, where it got started and what it is all about, and why it was ever necessary in the first place.

Affirmative action, to begin with, is grounded in an executive order, Executive Order 11246, which was signed by President John F. Kennedy, signed by President Lyndon Johnson, and all Presidents since.

Now, the whole purpose of this executive order was to move beyond the passive notion that we should not discriminate on the basis of one's color and, of course, it is interesting that in a subsequent executive order, the issue of sex was added as well. Now, what the attempts were, they were simply methods to say we cannot just say that we would no longer discriminate. We have to mix some affirmative efforts to go out and let people know that there will no longer be discrimination, that they are welcome to come in and apply for jobs, they are welcome to come in and apply for Federal contracts, and that they will be treated fairly and given an opportunity to participate in the mainstream of the economic activity of our society.

And so throughout the years there has been discussion as to whether or not affirmative action really works. In the early 1980's this discussion became pretty loud and, of course, the then Reagan administration undertook to look at affirmative action and to see whether or not it worked and then to find out whether or not it unnecessarily trammeled upon the rights of other citizens, and so the administration brought in a Dr. Jonathan Leonard, a professor from California, who looked at the affirmative action programs and made a report that these programs did, in fact, work.

But, secondarily, he found that there was no proof, no facts to sustain the allegations that these programs unnecessarily trammeled on the rights of white men as well as other citizens. It seemed as if this was not good enough, and so this administration undertook a second study. This time it was done by OFCCP, the Office of Federal Contracts and Compliance, and in this instance, the results were the same, that the programs worked, that they did, in fact, bring people into the mainstream of economic opportunity, people who had not been allowed to participate before, and again, secondarily, that these programs did not, in fact, unfairly trammel upon the rights of white men.

And so then we continued with this executive order all the way down until the present day. Now, along the way, there have been those who have participated in this program of affirmative action, many of them very serious, others a little bit disingenuous.

We have had people who have put programs together knowing full well that they were not legitimate programs, in an attempt to undercut, to discredit, to in some way bring embarrassment and shame upon a noble effort to bring people into the mainstream of the economic activity of our society. And then there have been others who, out of a notion to do right, have been very, very anxious and, in some instances, overly so, and they, too, have brought programs into being which did not pass judicial muster.

Let me give you an example. In my other life, I ran a State agency in South Carolina, the South Carolina Human Affairs Commission, and part of my responsibility at that agency was to do the affirmative action coordination and planning for the State of South Carolina. And I remember one instance when a school district from the upper part of the State began to have a little trouble. These things usually come about because of one hiring decision that was made and did not go the way somebody wanted it to go, and in this particular instance, they had begun to have problems in their communities, and then they asked me to come up and to help them with it and

to do an affirmative action plan for them.

Now, Mr. Speaker, when I went up, we did our analysis, and what you have to do in all of these instances is not just go on what somebody feels, but you go out and you analyze the work force, you look and see how many people are out there in the work force, not how many people are in the population, but how many people are in the work force who have the requisite skills for the kind of work that is needed, and in this particular instance, we went out and we analyzed the community's work force, and we looked at the work force at the school district. We came to the conclusion that there was no underutilization of blacks in that district at all, and so when we finished doing the affirmative action plan, we said to the school district, ''Now, look, here is our analysis. Here is your affirmative action plan. But we would recommend that you do not use it, because there is no need for it, because when we did our analysis, we went through what we call our eight-factor analysis. We found that there was no underutilization of blacks in this work force.''

They were shocked. The community was shocked. But when we explained to them what a real affirmative action plan is, they all accepted and even today, that school district is now doing well, and I am pleased to say is a school district that had about, I think, around 23 percent of the population is African American, yet the school district followed, by about a year after we left there, they hired a black superintendent to run the district. But they never had to use an affirmative action plan, because once we analyzed their work force and compared it with the availability of blacks in the labor force, then we found out that affirmative action was not needed.

And so my point here is simply this: All of these people who are talking about affirmative action, I would wish that they would get beyond the emotional diatribes and begin to look at what this program really is and look at exactly how it came into being and how it ought to be operated. And I do believe that all fair minded, maybe not everybody, but all fair-minded people, when they take a look at these programs and see exactly what they mean and exactly how they are carried out, we would not be talking about whether or not we should do away with affirmative action.

We will be talking about how we can take this principle and apply it to all aspects of our society and begin to bring people into the mainstream.

Now, Mr. Speaker, I have been joined now by the gentleman from Alabama [Mr. HILLIARD], and I see my good friend, the gentleman from Mississippi [Mr. THOMPSON], now has all of his statistics with him, so I am now going to yield back to the gentleman from Mississippi [Mr. THOMPSON], so that we can take us further on this discussion, and I will come back at a later time.

Mr. THOMPSON. I thank the gentleman, What I would like to do is yield to my colleague, the gentleman from Alabama [Mr. HILLIARD], who will further enlighten us on the discussion of affirmative action.

Mr. HILLIARD. I thank the gentleman from Mississippi very much.

There is a subject matter that I would like to discuss for just about 4 or 5 minutes that is an offshoot of affirmative action.

You know, oftentimes people think that affirmative action is quotas. I just want everyone to know that affirmative action absolutely has nothing to do with quotas, and I also want my colleagues to know that in America there is not a national law that mandates quotas, and I say this, because I recall when Lani Guinier was being recommended for the job in the Justice Department that Deval Patrick now has, and one of the things they said, they did not like her because of her views on quotas and they thought she would push the law mandating quotas.

Well, my answer to that is there is no law. There is not a national law mandating quotas. Affirmative action has absolutely nothing to do with quotas. That is just a political ploy used by the other side. It sounds good when you can say that we want to get away from mandating anything or giving preference to any person or any group of persons.

And I would think everybody wants a plan, but what affirmative action is, is just a remedy for past discrimination, a remedy to make up for the shortcoming of our law and our society, and in most instances it speaks only in terms of goals, of objectives, and never in the language of mandates, of quotas.

You look, oftentimes in Congress we try to make laws that are national in scope and that will take care of every situation surrounding that subject matter. Many times we fail. We fail because in this country there is a diversity in terms in people, races, religions, and then you have other types of diversity, geographical balances, but the most important thing is that we are all Americans, and we always try to make laws that will protect the interests of all Americans.

So we have three branches of government, the court system, our judiciary system, which is just one branch of governance, and interpreting the laws that Congress has passed that we thought would satisfy a problem. Many times the court adds in its interpretation certain things that were not intended by Congress, and in that context, I wish to talk about quotas.

The only laws in this country that really mandate quotas are laws passed not by Congress, not by Executive orders, but the interpretation of laws by our court system, and it is narrowly used. Quotas are narrowly used. But it is only used when the court has found that there has been a reckless disregard for the rights of some class of individuals, and it was to make sure that the practice is not continuous, so it sets forth that until 25 percent of the work force in a particular area is of a certain gender or a certain race, then no one else from any other race or any other gender could be hired.

But that is the court setting forth quotas or mandating a percentage, and the court only does that when the situation is aggrieved, when the situation is harsh, and when the State or the agency has not made any effort to correct the situation.

☐ 2145

Mr. THOMPSON. Mr. Speaker, is the gentleman saying that all this discussion that we are hearing about quotas as it relates to affirmative action, that there are no laws that the gentleman can identify at this point that talk about quotas, that that for the most part has always been a remedy addressed by the courts?

Mr. HILLIARD. Absolutely I am saying that. That is absolutely the case.

Mr. THOMPSON. I guess that is part of the reason we are trying to have this dialog tonight, is try to get the discussion back on focus so that the general public can understand what we are talking about.

Some of the statistics I want to share with both my colleagues on this subject that might shed a little more light to it, talk about if African-Americans had parity with whites in America, what would those numbers look like? Well, if we had parity as African Americans in this country with whites, the average black family income would be $19,568 higher per year. If we had parity among black males, the income would be $8,500 per year. The female parity number is 2,000. But the net worth is almost $40,000, so that means that in America right now that net worth of a white household is $40,000 higher than the average black household.

So, Mr. Speaker, I say to my colleagues, ''When you talk about parity, you have to talk about things being equal, and, as you've talked, Mr. HILLARD and my colleagues, Congressman CLYBURN, also, that when we talk about affirmative action, we're talking about describing for the sake of remedy a solution to past wrongs, and none of us disagree with the fact that, as we look across this country there are some things that we're not proud.''

But I am happy to be part of the solution by trying to factor in certain solutions that would make things equal. So, as we talk about parity in this affirmative action, I hope our colleagues who differ with us do not differ with the numbers because the numbers speak for themselves.

Mr. HILLIARD. Mr. Speaker, if the gentleman will yield, let me expand on a point he made just a minute ago indirectly.

As my colleagues know, there is no perfect country on this earth. but America is beautiful. I love it. But America has problems, and, until we are willing to even admit that America

has problems, it is going to be difficult to solve them, and I think that when those courts make decisions mandating certain goals to be reached in certain categories, or mandating quotas, it is only trying to remedy a problem that has existed. It is only trying to correct that Problem.

And I think that the court is trying to improve American society, trying to diversify its educational institutions, trying to diversify and integrate its work force, and it is trying to correct 200 years of wrongdoing.

Mr. CLYBURN. Mr. Speaker, if the gentleman would yield, before we leave the area of quotas let me point out something here.

I have in my hand here a review; sort of an overview, I guess, is more of what it is; that was requested by one of the members of the other body who is now running for President. He asked the Congressional Research Service to give him an overview of all of the affirmative action programs in the Federal Government, and this document contains around 160 instances where references to affirmative action are made in one form or another, and the interesting thing is there is nothing in any of it that talks about quotas.

In fact, Mr. Speaker, I think it was the Washington Post that wrote a story after this was published, and they had in their headlines: No, affirmative action does not require quotas. So I would hope that those people who continue to harp on that, because they know it is an inflammatory term, would stop being so dishonest with the American people and actually say what the facts are.

Now, Mr. Speaker, the interesting thing about this is one little line in here that I want to just read because I think it tells it all. In this report it says no quotas, but goals and timetables. However it says the goals may be waived where not practicable due to unavailability of people in the work force. So even when you set out the goal, even when you set the goal out, if you find that in trying to reach this goal that there is not the kind of availability in the work force that you had anticipated, that goal is then set aside.

So Mr. Speaker, I think that that says it all, and so I think the gentleman is absolutely correct, and I am glad that he took us down that discourse so we could clear up this issue of quotas because I think it ought to be said over and over again because I think that there are those who are trying to inflame the American public on this subject by using that term.

Mr. HILLIARD. Mr. Speaker, if the gentleman would yield, you know one of the things that people get mixed up with in this country, and sometimes I find myself guilty of it, is the fact that I listen to political rhetoric, and sometimes I think of it as being fact because I think that the person that is making the statement, I think that his credibility is fine and that the statement he is making is all truthful. But then when I do my research or when I really start looking at something in depth, I realize that he is just pushing his individual agenda, or his party agenda, or some other agenda that is foreign and alien to the American agenda, and I say that because for the last 4 or 5 years I have been hearing the word ''quotas'' and we do not want any quotas, and we do not want any preference, and they talk about affirmative actions, affirmative action as if it mandates quotas or it mandates preference when in fact it does not.

And my colleagues know the language of affirmative action is very soft. It is not harsh. The harsh words are ''quotas'' and ''mandates.'' But the language of affirmative action is: encourage, seek, incentives, positive effort, and to the extent practicable. That is the language, and, when you have language like that, it does not kill quotas, it does not set quotas, and it does not give preference, and that is very important to this discussion because there have been those who have politicized something that is very much American, very much American.

Mr. CLYBURN. If the gentleman would yield, let us look at another issue here, the issue of productivity.

As my colleagues know, one of the things that we hear about affirmative action is that it requires that you hire unqualified people.

Mr. HILLIARD. I have heard that.

Mr. CLYBURN. We have heard that so often.

First of all, there is absolutely nothing about affirmative action that requires hiring unqualified people. I say to my colleagues, in fact, if you're to do that, and with all these 25 years of affirmative action if you were hiring unqualified people, it would seem to me that the productivity of the country would have gone down, but that has not happened at all. In fact all the studies we've seen indicate that productivity is on the increase, that our workers are in fact the most productive, and we've had even studies that zero in on people who have been hired as a result of affirmative action, especially as relates to women, and what we found is that production on the part of women increased as a result.

Mr. Speaker, that is the same thing we find all the time when people are made to feel as if they are worth something, that they can, in fact, get promoted without regard to race and sex, that they do, in fact, produce more and produce better.

Now let me say one other thing about this issue of qualifications:

> If you establish a criteria for a job, if you said, ''In order to get this job you have to take a test, you have to score at least 80 on the test,'' and now if you score 80 on the test, it means that you're qualified.

Mr. HILLIARD. Absolutely.

Mr. CLYBURN. And nobody has ever asked anybody to hire the person who made 78 or 79. We just said, when the person makes 80, don't ignore the person. Don't pass over the person. Don't throw that person's test scores in the garbage can waiting for somebody white to come along.

Now people are saying, as my colleagues know, it is not just qualified; it has got to be most qualified. So that is saying, if you make 80 on the test, and that's what's required, and someone else comes along and makes 82 on the test, then you're duty bound to hire the person that makes 82. That is where the rub comes because that is not what qualifies a person for the job.

Mr. HILLIARD. Mr. Speaker, if the gentleman would yield, you know one of the problems we have had in history is the fact that someone makes 80, and the job is available, someone makes 78 or 79, and they reach down and give it to the person that makes 78, and this is the problem we are trying to correct. But even if a person made 80, sometimes they would hold that job open, re-give another test, and then take someone who might make higher. That in itself is discrimination. That in itself is what we are trying to get away from. That is what we are trying to remedy, that is what we are trying to correct, and that is what the court has said. That is what the court is trying to correct, and the laws that we have set out already just say, ''Give that person a chance.''

Mr. THOMPSON. I think one of the notions also is the fact that affirmative action in the minds of some people has failed, and I think it is clear that of the statistics that we have been able to find in this country, the good that has come about has been because of affirmative action programs, and I shudder to think what and where we would be as a Nation if, in fact, many of the laws that we are presently operating under would not be in place.

For instance, if we had parity in this country as African-Americans with whites, according to the census there would be 9,559 fewer unemployed black adults because parity would mean that more African-Americans would be employed. But more so than that, there would be 6.9 million fewer black persons in poverty, and one of the things I am trying to relate to it, there is a correlation between discrimination and poverty as we talk about affirmative action.

Because if the job market, if the contract market, if the educational market is not available to certain individuals, then the likelihood that they will live in poverty is greatly increased. So what we are trying to do is provide a vehicle for individuals to move upward in this country. We would not like to see race, section, or age as an impediment to moving forward. And the framers of many of these affirmative action goals have outlined that these are ways you move up.

□ 2200

As we look at some of the other statistics, let us talk about Federal contract procurement. Of the $182 billion

that we identified in the study, we had less than 7 percent going to minorities.

Well, that is not where it should be. It has been only because we have had some affirmative action laws on the book that we have that much.

The same goes for higher education. If we look at almost $20 billion in grants going from the Federal Government to universities, we find less than 4 percent going to historically black colleges and universities.

Well, the numbers go on and on. Until we are able to find a replacement for affirmative action, because clearly most of us will agree that affirmative action, if we did not have it, minorities would be further back than they are now.

So I subscribe to the notion that we have to not throw the baby out with the bath water. What we have to do is strengthen the existing law, so that all minorities can in fact one day have that parity that I am talking about that is not here. The numbers bear that out.

So without this parity, we have to have laws on the books to encourage opportunities for minorities. So I am convinced that we have to have it.

Mr. CLYBURN. If the gentleman will yield, on that same question, I have not seen the study, but we were informed today that Richmond, VA, you recall Richmond was the place of the Crowson versus Richmond decision, the decision that threw out a procurement program there that was called affirmative action, though there were many of us in the field that did not want to see that case go forward because we felt it was not a good enough case for us to test the issue.

But I understand that today, the recent reviews indicate that the contracts that minorities are now getting from the city of Richmond have dropped to somewhere around 1 percent.

Mr. THOMPSON. Less than 1 percent.

Mr. CLYBURN. That is kind of interesting. For all those people that said we do not need affirmative action, when we had affirmative action programs, there was a question as to whether or not they were getting enough. Well, they were getting some. Now it looks as if after the Crowson decision that outlawed the plan, they have dropped down to less than 1 percent.

Now, I predict that that is the future for all minorities and women trying to do business in our society if we in fact get rid of these programs as many of our friends want us to do.

Now, the kind of interesting thing to me is why is it that the group of people who constitute 65 percent of the people eligible to do the work want to have 100 percent of all the work? That sounds to me like an illegal quota. 100 percent.

Mr. HILLIARD. If the gentleman will yield, one of the things that amazes me is the fact you stated here is a group that is 65 percent of the population of this country, and they are crying because 15 percent is given to minorities or given to some other group.

Mr. CLYBURN. That is right.

Mr. HILLIARD. It has to be greed. It has to be greed. But without getting into that discussion, let us look at the leadership in this country.

Now, we have struggled with the problems of segregation and the problems of discrimination for several centuries, and the last four or five decades we have sought remedies that we thought would correct the problems, rectify the situation, and set America on a course so that we would never be plagued with those problems again.

As a result of that, we have corporate America that has come on board. They have set up affirmative action programs that are basically incentive-based programs, no quotas, no mandates. We have State agencies. We have the Federal Government agencies that have set up incentives instead of goals and certain things they wished to achieve.

All of this is in place now and it is working, because for the first time we see a diversity in our work force that we have not seen before, Chicano-Americans, Americans, Spanish-Americans, women, minorities of all kinds. It reflect the beautiful diversity of this country.

But all of a sudden here comes a group, 65 percent of the population, that want 100 percent of the jobs, 100 percent of the business, 100 percent of all the work, and we have a group that comes and says let's give it to them. Let's destroy all of the affirmative action programs. Let's kick out the things that Truman, Nixon, Ford, Carter, Bush, and Clinton have thought were good for this country. Each one of them thought that affirmative action was so good that they passed executive orders that said during my administration, this is what we will seek to put in place or to maintain.

Mr. THOMPSON. I think that is the question of leadership, and the question of leadership in the affirmative action debate is whether or not the leaders of this country are strong enough to recognize that we do have individuals and groups in this country that have not established a parity with the rest of the country. And we have to create opportunities for those individuals to move up. But the leadership is very important in this issue. It is easy to talk about we live in America, I want America to be color-blind. But the test of leadership is whether or not we can put together legislation that would allow opportunities for all Americans to rise to the top.

If corporate America recognizes that diversity is important in doing business, then why can we not in government assume our rightful place in creating those opportunities too?

I venture to say that, as we all know, minorities are great consumers of service. And if corporate America understands that minorities spend money and they approach that, why can't we in government reciprocate by allowing minorities to participate in all levels of Government? And when that participation is not there, we should crate the vehicle to allow that participation to occur.

Mr. HILLIARD. One of the things we have to understand is that in order for each one of us to get to Congress, we have to win a race. In order for the President to be President, he has to win. Unfortunately, sometimes we put our personal agenda before we put the national agenda, and what happens is we do things that we really should not do. We politicize certain situations to invoke certain types of emotions so that we can channel peoples' behavior to the extent they would vote for us.

Just like the Tanya Harding situation. You know, you want to create a hysterical situation that everybody could immediately see and say ''I am not going to go that way.'' Then you take it and identify it with a certain candidate, with a certain party, and you achieve your purpose. I will not do America like that. And we should not be politicizing affirmative action.

Mr. CLYBURN. I think we ought to really look at that question. I want to just take a minute and say thanks to a great leader in this country, Art Fletcher, who as Assistant Secretary of Labor, I believe it was, under Richard Nixon, kind of pulled all of these affirmative action programs together. What we do today in the name of affirmative action was given to us by the Nixon administration. Art Fletcher was out on the front of this. My point being you cannot be more Republican than he was.

So this was not a partisan issue. Affirmative action has always been a bipartisan issue, and I think we ought to keep this there. And those people trying to use this now as a so-called wedge issue, thinking that it will pay off for them at the polls at the next general election, I think that that is the worst possible thing that you can do to any country or any people in the country, because I can tell you this: We are bound to repeat some very bad sections of our history if we are not careful with those kinds of issues.

We are coming upon the close of a century, and I know my history a little bit, and I know what happened to this country at the close of the last century when we saw court decisions. We went all the way from Dred Scott of 1854 to Plessy versus Ferguson of 1898, and we finally got to 1954, and I thought we were doing fine with these issues.

But now, all of a sudden, we are trying to change the playing field. We are now trying to create a different atmosphere. We are now trying to use these wedge issues in order to inflame the electorate, hoping that they would not go out and vote for something, but go out and vote against something. That, to me, would be a horrible mistake for us to make.

□ 2210

Mr. HILLIARD. If the gentleman will yield, one of the things we do not want to do in America is turn the clock back. We are on the road to prosperity. We have come out of a recession. We are moving along. Unemployment is dropping. This country is undoubtedly the world's leader. We lead in almost every category. We are the world leader.

People still die trying to get to this country called America, because it is so beautiful, it is so good, but it is not perfect. However, we should be willing to improve upon what we have. Affirmative action is a step in the right direction in improving what we have.

We ought to strive towards improvement, because we want to be inclusive. We want our country never to backslide to where it has been. We want to move into the 21st century with a diversity and an inclusion that can never be matched again anywhere else on this Earth.

Mr. THOMPSON. If the gentleman will yield, I agree wholeheartedly, this is a great country. All of us opted not just to be citizens, but to participate in the process by getting elected to Congress. That in itself is a noble gesture, but I think the fact that we agreed to challenge the system inside the system, that is important, just like we are having this debate tonight on affirmative action.

Clearly we have to highlight affirmative action as we go along. I look forward to it.

We have now been joined by the gentleman from New Jersey, Mr. DONALD PAYNE, who as we know is the new chairman of the Congressional Black Caucus. The caucus has taken a leadership role in the affirmative action debate that will be going on over the next few weeks and months to come.

Mr. Speaker, for the sake of the RECORD, I would ask the gentleman from New Jersey [Mr. PAYNE], where is the caucus with respect to this notion of revisiting affirmative action?

Mr. PAYNE of New Jersey. Mr. Speaker, will the gentleman yield?

Mr. THOMPSON. I yield to the gentleman from New Jersey.

Mr. PAYNE of New Jersey. I thank the gentleman for giving me an opportunity to address this very, very important issue, an issue that we in the Black Caucus feel is the No. 1 issue facing us at this present time, because it strikes at the very heart of what made this country great.

The Congressional Black Caucus has formed a task force, as we have done in the past, on issues that we feel are very important to the caucus and to African-Americans in this Nation, and the Nation as a whole. We have a task force which is chaired by the gentleman from Maryland, KWEISI MFUME, and co-chaired by the gentleman from South Carolina [Mr. CLYBURN] and the gentlewoman from California [Ms. WATERS].

The caucus will be coming up with a position. We will be looking at the issue of affirmative action, we will be talking about and studying and coming up with our position. We would hope that the President will stand firm, as he said he would, as he is reviewing this.

We were very pleased, I think, at the review that Senator DOLE called for that showed that affirmative action was basically a move toward a more perfect Union. As a matter of fact, in our Constitution we talk about we are moving toward and hoping to have a more perfect Union. Affirmative action is a program that attempts to move people toward a more perfect Union. Therefore, we will certainly be engaging the Nation in a debate.

Let me just say a few other things that I would like to say. We have seen in recent weeks a great deal that has been put in the news media about affirmative action. It has been a topic that appears that the Republicans will try to turn into an all-out assault on people of color and women and minorities in this Nation.

As chairman of the Congressional Black Caucus, I am outraged by the efforts of the Republican majority to try to repeal affirmative action programs and attempt to turn the clock back on progress that had been made throughout the years.

Mr. Speaker, let me share some basic facts very quickly about affirmative action. Affirmative action, as you know, is defined in broad terms as any measure adopted to correct or compensate for past or present discrimination, or to prevent discrimination from recurring in the future.

It does not mean quotas, which are rigid requirements mandating that employers hire fixed percentages of members of a specific group, regardless of the qualifications.

Affirmative action programs have incorporated goals and timetables, and have clear objectives. Goals and timetables are merely used to help employers establish targets and time frames for achieving the targets. Employers are encouraged to make good faith efforts, but there are no legal penalties if they do not make their goals, if in fact they are making a good faith effort.

There has been a lot of distortion about this whole question of affirmative action. The history of affirmative action has revealed strong bipartisan support, as the gentleman from South Carolina recently said. Current standards were initiated throughout the years, and in the 1960s several large corporations said we should move this along, and President Nixon endorsed it.

Since then, eight successive Presidents have supported affirmative action. Other groups, like the Business Round Table and the National Association for Manufacturers, have stated that affirmative action is good business. In fact, studies have confirmed these statements time and time again.

As I conclude, Mr. Speaker, let me say that most employers believe that their productivity has not suffered by affirmative action at all, but has been enhanced. A report from Fortune Magazine found that many business leaders believe affirmative action is necessary to allow them to compete domestically and internationally. They believe it produces a work force that reflects the diversity of markets they serve.

In an all perfect world it would be nice to say that we live in a color-blind society. However, discrimination today is alive and well and still exists. Therefore, as long as there is discrimination based on race and gender, we must develop remedies that will take these factors into account.

Our country has a long and sad history of discrimination. Now more than ever our society needs to tear down barriers to prosperity and achievement, and enable every American equal access to education, decent housing, health care, job training, so that everyone is able to participate in this society.

Let me just say, Mr. Speaker, really in conclusion that this is nothing new to countries around the world. They have affirmative action programs in Fiji. They have affirmative action programs in Malaysia. The ethnic Malays were not getting

opportunities, and they have a very specific, even much more rigid program than the affirmative action program we have here.

In Nigeria there was an attempt, because of the domination of one ethnic group over the total country, for affirmative action. In Northern Ireland, they are talking about the McBride principles as they are trying to integrate and make equal the arguments and the discrimination between the Protestants and the Catholics.

This is absolutely nothing new around the world. This is something that countries have struggled for to make their societies better, and once again, I commend the gentleman and gentlewomen who are here trying to educate this Nation about the positiveness of affirmative action.

Mr. THOMPSON. Mr. Speaker, I thank the gentleman. We look forward to his leadership in the Congressional Black Caucus on this and other issues.

Clearly, as the gentleman has said, this is the issue at this point that all of America is talking and wondering about. We know the debate will be fast and furious as the days come, but clearly, the CBC, along with other organizations of good will, are committed to making sure that this country remains strong and committed to equal opportunity for all.

Therefore, we compliment you and your leadership in the CBC, and look forward to having that debate for the entire American public.

Mr. HILLIARD. If the gentleman will continue to yield, Mr. Speaker, in closing, I just want to say a couple of things. First of all, the ultimate goal of affirmative action is to achieve fair

representation for qualified recial minorities and women in all areas of American life.

I would say to you that this goal has not been realized. We have been trying for the last five decades to take care of this problem.

□ 2220

But we have in place a system, and to begin to tinker with and unravel equal opportunity and affirmative action programs at this juncture when so much progress has yet to be made is unthinkable. But it is absolutely unforgivable, because you turn the clock back and you create additional problems for America, in many instances, problems that have already been solved, or the solution is in the process.

Mr. CLYBURN. In closing, let me just say this, as I say so often. Affirmative action is in fact an experiment. we are experimenting with a method by which we can overcome the current effects of past discrimination. Our society, this democracy that we live in, is in fact an experiment. But as we look at all the groups of people that make up this great Nation of ours, we have to think about the different religions, different cultures. There is no religion that we call American, there is no culture that can be called American.

America is a mosaic of many things. Jews celebrate Yom Kippur, Christians celebrate Easter, Italians celebrate Columbus Day, black Americans celebrate Martin Luther King, Jr.'s birthday, Irish-Americans celebrate St. Patrick's Day, all of that, and we participate with each other, trying to make sure that people learn to respect these different cultures and these different religions.

If we can do that, then I think that what we need to do is learn to carry that same respect and participation into the workplace as well. If we can do that, I think that America is going to be a much better place for all of us.

Mr. THOMPSON. I thank the gentleman from South Carolina [Mr. CLYBURN].

Tonight we have tried to put in perspective some of the issues around the affirmative action debate. I would like to thank Congressman PAYNE, Congressman CLYBURN, and Congressman HILLIARD for joining me in this special order.

Mr. Speaker, if I am permitted, I yield the balance of my time to the gentleman from California [Mr. FARR] who has joined us at this time.

The SPEAKER pro tempore (Mr. KINGSTON). The gentleman from California is recognized for 3 minutes.

COMMEMORATING 50TH ANNIVERSARY OF CANNERY ROW AND JOHN STEINBECK'S 93D BIRTHDAY

Mr. FARR. Mr. Speaker, I thank my colleagues and the leaders of the Congressional Black Caucus for the last hour colloquy on the issue of affirmative action.

I want for a few minutes to recognize someone who brought to light the plight of the conditions of many of the people who represent and live in the district that I represent in the central coast of California. For today is a very special day in my central coast of California district.

Today would have been the 93d birthday of one of our Nation's greatest authors, John Steinbeck, John Steinbeck Nobel Laureate and native son of California, led a life as rich and provocative as the Salinas Valley he immortalized in his writings. His obsession with his hometown would develop into a lifelong theme, unfolding through the course of time like a Steinbeck novel. The year 1995 is also being celebrated as the 50th anniversary of the publication of ''Cannery Row,'' his novel about the thirties in Monterey, CA.

Fifty years ago John Steinbeck shook off the anguish and horrors of World War II which he had experienced as a war correspondent. He wrote ''Cannery Row,'' a lively story about the thirties, when life seemed to him to have more meaning. His novel about Doc, Mack, and the boys, Flora and her girls, and Lee Chong became an instant success with the war-weary American public. Today, schoolchildren throughout our Nation read Steinbeck's ''Cannery Row'' as part of their curriculum.

Steinbeck won the Pulitzer Prize fiction award for the ''Grapes of Wrath'' in 1940, which has now become an American classic. In 1962 he received the greatest honor of his distinguished writing career—the Nobel Prize for Literature ''for his realistic as well as imaginative writings, distinguished by a sympathetic humor and keen social perception.''

John Steinbeck's fiction has been recognized as being representative of the character of our people, especially their vitality and uniquely American qualities. People from around the world are attracted to our Monterey Bay shores because of his writing and come to the Monterey Peninsula and Salinas Valley to renew memories of his novels. Especially to visit the localities of his stories which are so vividly portrayed in ''Cannery Row,'' ''The Pastures of Heaven,'' ''Of Mice and Men,'' ''East of Eden,'' ''The Red Pony,'' and ''Travels with Charley.''

Steinbeck achieved worldwide recognition for his keen observations and powerful writings of the human condition, bringing the plight of the disadvantaged and outcast to the forefront of social consciousness.

Our Nation has bestowed high honors on him, including the Medal of Freedom from President Lyndon Johnson and the American Gold Medallion issued by the U.S. Mint.

I invite you to join me in honoring John Steinbeck, on the 50th anniversary of the publishing of ''Cannery Row'' and in memory of his 93d birthday. His is truly a national treasure.

REFLECTIONS ON BLACK HISTORY MONTH

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

Mr. FOX of Pennsylvania. Mr. Speaker, I rise to discuss with my colleagues a wonderful journey I took during the month of February. The voyage I speak of was one of education and learning throughout our Black History Month which concludes tomorrow.

I had an opportunity, Mr. Speaker, to see how the people of my home district in Montgomery County, PA celebrated the heritage of a people who have contributed much to our society.

Many of you may realize it, but Montgomery County, PA was the end of the line for many slaves as they escaped to freedom along the underground railroad with the help of Lucretia Mott for whom the wonderful community of LaMott is now named in Cheltenham Township.

Communities in my district, Mr. Speaker, such as the beautiful town of Penllyn arose because of those men and women who fought so hard for their freedom. Even today it is clear that the freedoms we all enjoy here in the United States have a special home in places like Bethlehem Baptist Church which rose like a monument to freedom for those families under the leadership of Rev. Charles Quann.

What was perhaps most gratifying was to see the pride in the faces of the youth of these communities as they learned about the freedom fighters who risked everything so their children could breathe the sweet air of freedom, justice and equality.

These great men and women knew that, as Thomas Paine said in ''The American Crisis,'' that ''those who expect to reap the blessings of freedom must undergo the fatigues of supporting it.''

Great black leaders and all those who fought for equality have never failed to undergo the fatigues of supporting freedom.

The words and ideals of individuals like the great emancipator Abraham Lincoln and the eloquent drum major for peace, Dr. Martin Luther King, Jr., rang throughout Montgomery County throughout February just as they rang out across the Nation when they were alive.

The spirit of Harriet Tubman was palpable as our children recalled how she inspired a Nation to continue the backbreaking battle for freedom.

Is the battle over? I would have to say no. But for those who have grown weary fighting against individuals and groups who would repress a people, any people, the events of this month must have had a rejuvenating effect on their souls.

Another freedom fighter, Franklin Delano Roosevelt, once said,

> We look forward to a world founded on the basis of four essential human freedoms. The

first is freedom of speech and expression, everywhere in the world. The second is freedom of every person to worship God in his own way, everywhere in the world. The third is freedom from want, everywhere in the world. The fourth is freedom from fear, anywhere in the world.

My friends and colleagues, we still have a distance to travel on this journey of equality and justice for all.

I heard a young man in church recently say to the congregation in the words of Frederick Douglass who said, When we are noted for enterprise, industry and success, we shall no longer have any hurdles in our quest to achieve civil rights for all.

Mr. Speaker, I know that the people of this Nation will continue to recognize the works of King, Tubman, Douglass and Lincoln who have done so much to help others. Not it is time that we as a Nation do all we can to ensure that their records are emulated and their contribution will never be forgotten.

□ 2230

THE DEFENSE OF OUR COUNTRY

The SPEAKER pro tempore (Mr. KINGSTON). Under the Speaker's announced policy of January 4, 1995, the gentleman from Pennsylvania [Mr. WELDON] is recognized for 60 minutes as the designee of the majority leader.

Mr. WELDON of Pennsylvania. Mr. Speaker, I will hopefully not take the entire hour this evening.

My topic this evening is the defense of our country, and as a 9-year member of the National Security Committee, formerly the Armed Services Committee, and current chairman of the Research and Technology Subcommittee, I would like to focus on three specific items relative to our national defense. The first will be our budget and the current conflict in Washington over how much money we should spend on our military over the next 5 years, and especially this next fiscal year. The second will be missile defense, where we are going in terms of protecting this country, and our troops from a missile attack. The third will be a problem I see emerging in terms of arms sales that the Clinton administration has not yet addressed.

Before I get into the budget numbers, in terms of defense spending, Mr. Speaker, I quote an article today that appeared in two newspapers that I have to share with you and all of our colleagues that outraged me when I read it. It was printed; originally the story ran in the Baltimore Sun, and then was reprinted by the Tampa Tribune in an editorial.

It has to do with the abuse of our current social welfare system. The reason I bring it up during this 1-hour special order on defense is that over the past 10 or 15 years we have heard Member after Member talk about, even the President talk about, expensive toilet seats and hammers that were especially designed materials for use by the military, and much of that criticism, I might add, was warranted, especially where we did not have good control of our procurement process.

And that is why we have worked on acquisition reform in past sessions, and it is again a priority for this session. But we have seemed to never want to talk about the abuse that occurs in the social welfare state and the spending that has occurred totally out of control over the past 30 years. I pointed out during the debate on the National Security Revitalization Act several weeks ago, over the past 30 years, we have had two wars in America. The first war was the war on poverty declared by Lyndon Johnson which we lost. We spent the taxpayers' money to the extent of $6 trillion over the past 30 years on social welfare programs, yet we have more impoverished people today than at any time in recent history.

During that same time period the cold war ended. We won that war, and we won that war because of our focus on a strong national defense. The purpose of a strong defense is not to fight wars but, rather, to deter aggression.

During this same time period, we were spending $6 trillion public dollars on social welfare programs, we spent approximately $5 trillion on national security and national defense, and I think the best evidence of how successful those dollars were in terms of being spent is that we saw communism fall, the Berlin Wall came down, and democracy break out around the world. Even former Soviet leader Gorbachev stated he just could not keep up with America's defense posture which was the reason why they chose to work toward a democratic state and to begin to dismantle the Russian arsenal which is being done. Some would argue to what extent it is being done. At least, it is being done.

I want to highlight this story, because we need to understand, America, what happens with the tax dollars that we spend, and this is probably as good of an example as you could have. It results from an interview that the Baltimore Sun had with an unemployed family in Lake Providence, LA. This family of nine people qualifies and receives $46,716 a year in tax-free cash from the Federal Government.

Now, I am not an accountant or a CPA, but I know to get $46,716 of tax-free cash, you would have to make a lot more money if you were paying ordinary tax rates.

I am reluctant to mention the name of this family, but it has been reported in both the Baltimore Sun and the Tampa Tribune, and the lady who was interviewed evidently had no problem with her name being used, as you will see from some of the quotes. The name is Rosie Watson. Rosie Watson gets $343.50 a month in disability payments because a judge ruled the she is too stressed out to work. Now, that, in fact, may be legitimate. I am not arguing that point. Her common law husband receives $343.50 a month also from the Federal Government because he is too fat to work. He weights 386 pounds.

Now, in addition, their seven children, ages 13 to 22, all receive Federal support in the amount of $458 a month because supposedly they have demonstrated age-appropriate inappropriate behavior so they qualify for this special compensation. Multiplying all of those dollars out, you come to the figure of $46,716 a year from the Federal Government without having to pay any tax.

In addition, they also receive full medical care and benefits through Medicaid which is not included in that sum of money.

When questioned by the Baltimore Sun about this, she said, and I quote, ''I got nothing to hide.''

In 1978 she told officials that her second child, at age 4, was a threat to other children and, therefore, she should get compensation for that child. She kept reapplying until, in 1984, the officials agreed that he did have a behavior problem, and the award was granted. But a few years later because of that ruling, she was given a $10,000 lump sum check to make up for back compensation that she had not been provided for that child. In all, the family has received $37,000 in retroactive payments. That is above and beyond the $46,716 each year.

Now, Mr. Speaker, for all of our senior citizens out there, they have to remember this is coming out of the Social Security system, yes, even the money for the children is coming out of the Social Security system. After 15 years of relentless applications, Rosie Watson has had all of her children put on these disability payments.

Now, here is a rub: You know, you could see that these payments are supposed to do or are designed to help individuals deal with their disabilities and attempt to get back into the mainstream of society. But the Baltimore Sun went on to ask her what she uses the money for, and she explained how she divvies ti up each month, and then she said, and I quote, ''One need that she has each month is $120 in allowances for George, who is 14, David 17, Willie, 18, and Denny, 19. 'Being the age they is and being out there with their little girl friends, they need the money,' she says.''

Now, Mr. Speaker, what we are hearing is not only are we paying this family $47,000 a year of tax-free Federal money, but that four of the children are getting a monthly allotment of $120, $30 each, to be used partly to take care of their girl friends.

Mr. Speaker, I think this is an example of what the American people feel is wrong with the social welfare state in this country. Now, we can talk about all the hammers and toilet seats we want, and I can tell you that no department of the Federal Government has more oversight than DoD has right now, but this year and this session it is time to focus on reconfiguring the way

we spend money on social welfare programs, and I am glad that is one of our major items under consideration for reform.

Part of the problem in an era where we have declining dollars available for Federal priorities, one of the areas that has got hit the hardest during the past 5 years has been defense spending, and yet, in fact, in this fiscal year no one can tell us what the right amount is to spend on our national security.

We had the President tell us when he was a candidate for office that he would cut $60 billion off of defense spending over 5 years from what President Bush had projected. Then when he became the President, he said, ''No, I was wrong. I am going to increase that cut to $128 billion,'' which he is currently in the process of implementing. Many of us on both sides of the aisle last year and 2 years ago told the President that he was making a grave mistake, that cutting defense spending by $128 billion over 5 years after four successive years of declining defense budgets would just not be able to be lived up to by the military, and that it was imprudent for him to include that kind of cut in his 5-year budget. But he went ahead and did it.

Now, here this year we have the General Accounting Office coming before Congress and testifying that the President's defense needs, as outlined by the bottom-up review, outlined by Les Aspin when he was Secretary of Defense, are in fact $150 billion short. So the General Accounting Office is saying we are short $150 billion over 5 years.

Now, the Congressional Budget Office, which reports to the Congress, last year came up with a figure that we are now using this year showing that the budget over 5 years is between $60 billion and $100 billion short.

One of the most respected Democrats in terms of defense posture in this Congress, the gentleman from Missouri [Mr. SKELTON] has come out with his own budget saying in just this fiscal year alone, our defense needs are $44 billion short, and, therefore, he wants his colleagues, and all of us on both sides of the aisle, to support the restoration of $44 billion in defense outlays, I should say, over the next 5 years, so we have three different numbers from three different individuals and groups.

What we would like to think is that we base our defense needs on the realities that are out there, and as we see the potential for conflict, the military leadership would come back to us and tell us what it is in the way of manpower and equipment that they need to deal with those potential conflicts. Unfortunately, for the past 2 years, the budget number that we have been given by the administration, as SAM NUNN has said publicly, was simply pulled out of the air. It was not based on real needs and not based on a real net threat assessment.

This year we are trying to deal with it and solve the dilemma of what is the correct amount of funding in terms of our military for this next fiscal year and for the remaining 4 years of the 5-year budget cycle.

Now, President Clinton stood in this very Chamber in January when he gave the State of the Union Message, and he pounded his fist on the podium directly behind me, and he told the American people as well as all of us that he would not accept any more defense cuts, and those were his exact words. Usually the American people want to believe the President, because what he says we would think in fact is what he was going to do. In fact, when he pounded the desk, we figured he really meant this. He also said he was going to add back in $25 billion over 5 years, in effect, because there was a need for additional funds.

But we need to look at two things, Mr. Speaker. First of all, this year's defense budget is, in fact, lower than last year's, and the President's cuts are still under way, so his notion about not having any further cuts is really not borne out by the budget he submitted to us.

□ 2240

But more importantly, the administration is really playing a charade with the American people. He said at this podium that he was going to add back $25 billion of new money. What he did not tell the American people was that $23 of that $25 billion would not come into play until after the next presidential election. Now that is pretty convenient. In other words, ''Trust me. When I run for relection, and if I am elected, then I will put back the other $23 billion of the $25 billion I promised.'' None of it is going back in this year. It is coming after, in fact, the President has to run for relection, assuming he would be reelected.

In fact, over the past 5 years the defense spending for this country has gone down by 25 percent. The single largest decrease in any part of the Federal budget has, in fact, been in support of our military, and I am not saying that some of those cuts were not necessary. In fact many of them I supported. But while we have cut defense spending by 25 percent, what outrages me is the fact that during that same 5-year time period we have increased nondefense spending in the defense budget by 361 percent. What that means is that while we have cut defense spending dramatically, Members of Congress have stuck in items in the defense bill that they could not get funded through normal appropriation channels, and that amount has increased 361 percent and includes such items as, in this year's defense bill, $13 billion for environmental restoration and cleanup, $3 billion, some of it for questionable dual use conversion projects, $4.7 billion for add-ons never requested by the military, never gone through the authorization process, stuck on by Members of Congress.

So what is really concerning to me is that, while we have cut defense spending by 25 percent, Members of Congress keep adding on more and more programs that in some cases have nothing to do with the military.

Now I happen to be a strong supporter of cancer research. I think it is important that we work to find a cure, but I cannot for the life of me understand why all the cancer research is funded out of the defense bill, and many of those same liberals who question the level of defense spending are the ones who put cancer research in the defense bill. Now that does not make sense. Likewise I think a solution for the problem of AIDS is important, but I cannot understand why tens of millions of dollars for AIDS research are in the defense bill. Four point seven billion dollars of this year's defense bill has nothing to do with defense in terms of requirements by the Pentagon, but rather are priorities identified by individual Members and stuck in defense spending provisions.

Mr. Speaker, this has got to stop. If we are going to be fair with our military, then we need to have a clean budget process. What we need for the military should be that. If we think there are other priorities that should be addressed, they should be paid for through other bills that are worked through the appropriation process.

We also need to make sure that, when this President wants to send our troops overseas, as he has done frequently, that he is willing to stand up and ask us to pay for it. Many of us; in fact, most of us in this body; wanted to have a vote on whether or not our troops should be sent into Haiti. In fact many of us signed resolutions. We wanted to have a clear, up-front debate before the President committed our troops because we were debating this issue for months. We knew he was planning on sending our troops into Haiti. The President did not want us to have that opportunity. In fact, as we know, it was a Sunday evening while we were out of session over a recess that he decided he was going to send our planes down to Haiti, and this was only averted, a military insertion was only averted, by the actions of SAM NUNN, Colin Powell, and Jimmy Carter. But in fact the troops did go into Haiti, although it was a peaceful process that they went in under, but the point is we have now spent $1.5 billion of DOD money on the Haitian operation.

So my point is that while we are continuing to use the defense budget for all these other purposes, Mr. Speaker, we are also using defense money to pay for the President's escapades around the world, not just in Haiti, continued presence in Somalia which every day seems like it was more and more of a waste to keep our troops there, and troops in Macedonia, Bosnia, and now the huge operation in Haiti.

What really offended me when we had the hearings on our Haiti presence was to find out that while our troops are being told that we have less money to spend on them, that we are using our DOD tax dollars to pay the full salaries, benefits, housing costs and travel for non-United States troops, troops from Guatemala, Nepal, Bangladesh. Other countries that President Clinton had to entice into Haiti are being paid with United States DOD tax dollars. To me that is an outrage, especially at a time when we are cutting defense dollars in such a draconian way.

Mr. Speaker, all of these budget cuts that we have imposed on the military and imposed on our national security establishment have forced us to push back further and further the whole issue that is my second topic tonight, and that is the issue of missile defense. This is an extremely important issue, Mr. Speaker, that we are going to focus on very aggressively between now and the end of this session because the facts have not been properly brought out to the American people about the real threat that is out there.

We know that there are Saddam Husseins in the world and the other threats that we have seen and had to face down, but it is harder to understand what the threat is in terms of a ballistic missile attack, whether it be deliberate or accidental, or even a Cruise missile attack. We are going to be focusing on this glaring area of our national security where we currently have a vacuum and have no proper defense mechanism in place.

When I asked my constituents back in Pennsylvania if they think that we have a system to protect us against one single missile coming into America fired accidentally or deliberately, they cannot believe it when I say that we have no system in place. They just cannot understand how a country with the assets that we have, spending the money that we spend, does not yet have a ballistic missile defense system to protect mainstream America, as well as our troops in the field. As a matter of fact, many of those who have fought long and hard for the past 20 years against missile defense were the same ones cheering the success of the Patriot system when it was brought into play in Desert Storm. The Patriot system was developed through the dollars that we put forth in the old SDI Program starting under President Reagan. If we had not spent money back then, we would not have had a defensive missile system to take down those missiles coming into Israel fired by Saddam Hussein, as primitive as they were.

Mr. Speaker, despite the money that we have spent and despite what the misconception is of the American people, we still do not have adequate missile defense capability for this country in three different areas, and I want to talk about each of them briefly. First of all, Cruise missiles, the missiles that fly at low altitude, the kind that we saw Saddam fire at Israel called the Scud missiles. Seventy-seven countries in the world today have Cruise missiles. Seventy-seven countries in the world today, we have verified, have Cruise missiles. Over 20 countries in the world are capable of producing Cruise missiles.

□ 2250

Now, granted, cruise missiles are primarily aimed at sinking ships. But, Mr. Speaker, a cruise missile can be placed on any platform. A cruise missile can be put on a ship at sea. So when our liberal friends say that we do not need missile defense because no missile can hit our mainland, what they forget is that a cruise missile can in fact be mounted on a ship and in fact could be used to deploy against some part of the American mainland.

We are aggressively developing anti-missile defenses for the cruise missile technology, but not as fast as many in the military would like us to proceed, and in fact not as fast as I would like us to proceed, because I think that poses a tremendous threat to our security.

Now, the Russians, on the other hand, have an aggressive program for cruise missile defense. They have the SA–10 and the SA–12. The SA–12 has more capability than our Patriot system, the one we used in Desert Storm. In fact, what are the Russians doing with that system? We have evidence they are selling it all over the world.

So here are the Russians selling a technology even better than the one that we have in terms of our ballistic missile defense. As a matter of fact, our CIA purchased one of these sophisticated systems and delivered it to Huntsville, AL. To the embarrassment of the CIA, the New York Times ran an editorial about how open this whole process was of buying this supposedly sophisticated piece of equipment from the Russians.

I can tell you, Mr. Speaker, that if we have the SA–12, countries all over the world have the SA–12, because the Russians have placed it on the open market. So cruise missiles are in fact an area that we have to focus our attention on.

The second area is the adequate protection of our defenses when they are in the theater of operation like we saw over in the Middle East called theater missile defense, where we can protect our troops from the kind of attacks that we saw with Scud missiles. The Clinton administration is in favor of theater missile defense, and, even though they have cut the funding for missile defense significantly, we do have a robust program looking to implement theater ballistic missile defense whenever our troops are deployed. Both the Navy, the Army, and the Air Force are working on aggressive theater missile defense capabilities, and I support those efforts. Hopefully we can wrap up some of the funding for those programs, because who knows where the next threat will come from, a theater missile being used against our troops or one of our allies' troops.

In addition, Mr. Speaker, we are working with the Israelis right now to develop a theater missile system that will be used specifically in Israel called the Arrow system, where 80 percent of the costs of that program are being paid for with United States tax dollars.

So theater missile defense is the second key area of missile defense that we are focusing on, and I support the administration's attempt in that area, as well as leadership of General O'Neill, who heads the office and that operation.

But there is a third area of missile defense we are completely ignoring, and that is the whole area of national missile defense. That was part of our debate that we had on the National Security Revitalization Act 2 weeks ago. There are those of us who feel we owe it to the administration to come back and tell us whether or not we have technologies we can deploy that will give us some capability against a deliberate or accidental launch of one, two, three, or perhaps four or five intercontinental ballistic missiles.

Today we have no such system. Even though the ABM treaty allows each of the two signatories the opportunity to have a ballistic missile defense system, only Russia has one. In fact, Russia has today the only operational ABM system, surrounding Moscow. In fact, if you add in the capability of the large phased array radars around that system, you can in effect say they have a larger system, perhaps even the one that would break them out of the ABM treaty. We have no such system in America.

So if a country, whether it be Russia, or China, or eventually North Korea when they develop the capability, has their own technology or buys the technology to fire one missile at one of our cities, we have absolutely no way today to defend the American people. None. Zilch, zero. Despite all the money that we spend on defense in this country, we have no antiballistic missile system to protect our mainland.

Many say we do not need it because we operate on the theory of mutually assured destruction. We dare the Russians to attack us because of retaliation and vice-versa with them. But, Mr. Speaker, that is not the scenario today. In fact, the biggest potential problem we have today comes from instability within the former Soviet Union and the warheads and missiles that are still in place that can in fact be sold to a Third World nation or a rogue nation.

Now, what are the chances of that happening? I have confidence in our intelligence community being able to assess what is the command and control system in Russian today. Let me give you one example. I am going to elaborate on it in a special order in the future.

The mainstay of the Russian ballistic missile system with nuclear warhead capability is the SS–25. Russia has a number of SS–25's positioned throughout their country.

The SS–25 typically operates out of a battery of three missiles, each of which can be programmed to a different city or different target. On each of those missiles in that battery of three is a separate nuclear warhead which means they have three warheads on three different missiles, which can be aimed very quickly at any city in the mainland United States and could hit any one of those cities from any location inside of Russia, or in fact any place that they would choose to take that capability.

That system is the one that worries me the most. Now, why does it worry me? First of all, the SS–25 is mobilely launched, which means the mobile launcher for that rocket can be moved very quickly and very easily. What worries me secondarily about the SS–25 is that the Russians have offered that technology to Brazil to be used as a space launch vehicle.

Now, what is so scary about that? What is so scary about that is there is no difference in the configuration of a SS–25 in Russia with a nuclear warhead than it is in Brazil as a space launch vehicle. If the Russians are offering the SS–25 to Brazil, the question we have to ask is where else are they offering the SS–25?

Now, thank goodness, when we found out about the offering of the SS–25 to Brazil, we stepped in and said no, that is a violation of agreements that we have with the Russians, you cannot do that. So they did in fact back off. But, Mr. Speaker, the point is, how much time are we going to have from the moment that a rogue nation gets the capability of a SS–25 and decides they are going to aim that at one of our cities? Can we afford then to wait 6 to 8 years to develop an affective ballistic missile defense system for our country?

I say no. And that is why I think the prudent course for us to take is not to go off spending tens of billions of new dollars in missile defense. We cannot do that in this environment. But we do owe it to our people and to our citizens to look carefully at technologies that we have been working on that are ready to be deployed.

Secretary Perry organized a Tiger Team task force to look at national ballistic missile defense in January of this year. Their preliminary report showed that we could implement a limited thin layer of protection for the entire continental U.S., headquartered in Grand Forks, ND, that would be able to give us a 90 percent effective rate in taking out a battery of three intercontinental ballistic missiles such as the SS–25. That system is doable today. It could be deployed in a matter of 4 years from the date that we give the go-ahead, which could be as early as say July of this year.

The cost of that system over 5 years is not $25 billion or $30 billion. The cost of that system is approximately $5 billion over 5 years. But it would give us for the first time a defensive capability against an accidental or deliberate launch by a rogue nation of a missile like the SS–25.

Mr. Speaker, I think we owe it to our constituents and to our security interests to pursue the development and implementation of that kind of a system. Beyond the system that is outlined in the Tiger Team report is the need to establish a system of sensors in space. Even our colleagues on the Democratic side led by our good friend and expert from South Carolina, JOHN SPRATT, agree that space-based sensors are necessary for us to detect when a missile is being launched any place in the world.

Following that movement toward a limited thin-layer defense system, we also need to develop a space-based sensor system, which allows us to detect when someone would in fact fire a system against us.

Mr. Speaker, for those reasons, I think it is absolutely critical that when we debate missile defense in this year's authorization and appropriation bill, that we do it based on the facts. Because of that, we are going to be implementing an aggressive program to educate Members of Congress and their staffs with real information about situations occurring around the world that could threaten our security, and where missile defense comes in as a critical element, whether it is theater, whether it is cruise missile, or whether it is national missile defense.

We will be announcing within the week a major proactive effort that will be bipartisan that will include briefings for Members, that will include regular handouts for Members, focusing on the ballistic missile capabilities that are out there today, what capabilities our enemies have, and what kinds of technologies are being distributed throughout the world.

It is extremely important that our colleagues, when faced with a vote on missile defense in the future, do so based on fact and not emotion. We are not talking about the term ''star wars.'' As I said during the debate on the National Security Revitalization Act, star wars has no place in the discussion today. Even our colleagues on the other side have acknowledged that.

We are talking about moving very deliberately into technology that we have been working on that we know are deployable within the near term, and doing it in such a way that we can afford it, based upon the budgetary constraints that we have, given our other concerns and priorities.

Mr. Speaker, this debate will occur in the May-June time frame, when we have defense bills on the floor, but I want to make sure as chairman of the Military Research and Development Subcommittee of the Committee on National Security that Members do so based on factual information.

Mr. Speaker, the final topic I want to hit tonight as relates to defense has to do with technology transfer, and a very scary event that is about to happen or actually has happened and continues to unfold involving the ability of the Chinese enhance their Cruise Missile capability.

Mr. Speaker, an article in the Washington Times dated February 13 highlighted the sale of Russian rocket motors to China, and the Clinton administration's efforts to try to halt the Russian sale of the rocket motors to China because of our antiproliferation legislation and laws, and because our officials feel the engines will be used in advanced Chinese cruise missiles.

The Clinton administration maintains that the sale of these engines by the Russians violates the missile technology control regime, but the Russian Government recently informed the United States Government and the Clinton administration it would not stop the sale because, and this is what is really outrageous, the White House had approved a similar sale of United States-made gas turbines to the Chinese last year.

We have seen the headlines today, where we have a new agreement with the Chinese on trade relations, but Mr. Speaker, how outrageous is it that we in fact are continuing under the Clinton administration to sell dangerous technology that will allow them to enhance their Cruise Missile capability?

We objected when the Russians wanted to sell their engines to the Chinese, because of what it would do, but we in fact ourselves are committing and have committed that same egregious error.

In fact, this past Monday, February 20, in the Jack Anderson and Michael Binstein column entitled ''A Red Flag on Technology Sale to China, the Clinton administration is poised to allow a controversial technology sale that many believe could help the Communist country upgrade its missile program.''

We are not just talking now about the sale of the engines. The Clinton administration now is about ready to approve the sale of the technology, so that Chinese can now begin to build the engines that will be used in the cruise missiles that could in fact attack the United States or our allies.

Let me read a quote from one frustrated administration official in the Jack Anderson column: ''The Administration knows this in fact would give China this new technology capability , but so far, no one has had the political will to stand up and say no.'' It further goes on to say ''Clearly, the Chinese could use this technology to make engines which are perfectly suited for that requirement,'' of improving their Cruise Missile engines, ''says Kenneth Timmerman, a security specialist and director of the Middle East Data Project.''

He goes on to say that there was a confidential memo that Jack Anderson was able to get a copy of that supports Mr. Timmerman's view. I quote from the memo: ''Garrett engines,'' and Garrett is a company that manufactures these engines in the U.S., ''Garrett engines and/or production technology would provide an array of high performance capabilities to satisfy China's military requirements well into the 21st Century,'' one document alleges.

''Another study indicates China could make engines capable of launching a biological warhead about 1,000 miles if it obtained these materials.''

Mr. Speaker, what the administration is saying internally, which has not yet come out in public until this article by Jack Anderson was revealed last week, is that internal documents in the administration are cautioning that giving the Chinese this technology will allow them to have cruise missiles that can go up to 1,000 miles with a biological warhead on that cruise missile.

Despite the red flags being raised, the Clinton administration last year lifted the export controls for this particular engine that normally cover the Garrett technology, and they are now about to let the technology itself be transferred to the Chinese.

''Critics of the deal are outraged,'' as they should be. ''This is exactly what we said would happen a year ago,'' an American official said. ''We warned that the Chinese would come after the technology after they got the engines, but the administration decontrolled it anyway. In my mind, it constitutes criminal negligence.''

An administration official that opposed the sale of the engines and now the technology itself, saying that they told the administration the Chinese would go to get the technology, which they are doing right now, and that we did it anyway, in his mind, it is criminal negligence.

Mr. Speaker, this administration has to understand that the defense of this country and our people is of the highest priority, and those of us who serve on the Committee on National Security, both Republicans and Democrats, use every minute of the day that we have to focus on how to support that defense.

However, Mr. Speaker, what we are seeing occur today with defense spending numbers, with the lack of an effort for adequate missile defense capability, and with uncontrolled arms sales that jeopardize our future security, that is absolutely outrageous.

Mr. Speaker, over the next 4 weeks we will be highlighting each of these components in detail. I ask you and our colleagues to read with great interest what we provide, to challenge it, to ask for backup material and data, so when we have a full debate in May on the authorization bill, that we do it based on the facts and not emotion.

Mr. Speaker, I include for the RECORD the editorial from the Tampa Tribune of February 13, and that articles from the Washington Times dated February 13, entitled ''Russia Sells Rocket Motors to China'' be entered, and that the Monday, February 20 Jack Anderson column entitled ''A Red Flag on Technology Sale to China'' also be entered in the RECORD.

I thank the Speaker and our hard-working staff for their dedication in allowing me to complete this special order.

The material referred to is as follows:

[From the Tampa Tribune, Feb. 13]

HERE'S A GRAND LITTLE STORY TO STIR YOUR BLOOD ON A MONDAY MORNING

How does an unemployed family in Lake Providence, LA., qualify for $46,716 a year in tax-free cash from the federal government?

The Baltimore Sun, in a special report, details one woman's crusade to win disability benefits and gives a rare insight into a welfare system infuriatingly out of control.

Rosie Watson, the Sun reports, gets $343.50 a month in disability payments because a judge found her too stressed-out to work. Her common-law husband, at 386 pounds, was ruled too fat to work, so he gets $343.50 a month too.

Their seven children, ages 13 to 22, have all failed to demonstrate ''age-appropriate behavior,'' so each of them qualifies for payments of $458 a month, what the welfare world calls ''crazy checks.''

The Sun's description of Watson's persistent efforts over many years to convince social workers and judges that various members of her family are incapable of supporting themselves reveals serious flaws in the welfare system, flaws that account for the nation's increasingly hostile opinion of it.

''I GOT NOTHING to hide,'' the woman told the Sun, and allowed reporters to visit her in her modest home, even opened her Social Security records to them. The inescapable conclusion is that the problems lie with the system, not with people like Watson who, like good attorneys, endeavor to make their best case.

Watson's quest began in 1975 when she tried and failed to convince Social Security officials she couldn't work.

In 1978 she told officials that her second child, at age 4, was a threat to other children and should receive financial aid. They didn't buy it, but she kept up, applying again and again until, in 1984, Social Security officials agreed that he had behavior problems. A few years later she received a $10,000 check after it was decided he should have been declared disabled four years earlier.

In all, the family has received $37,000 in retroactive payments, part of $1.4 billion in retroactive checks mailed after the Supreme Court in 1990 gave children increased rights to disability payments.

After 15 years of relentless applications, Rosie Watson has had all her children put on disability payments. The youngest child, now 13, attends elementary school, where the principal complains that the quest for ''crazy checks'' is undermining academic standards. The children don't want to fail but perform poorly to please their parents, he says.

Not true, says Watson.

''I ain't never told any of 'em to act crazy and get some money,'' she said. ''Social Security will send you to their own doctor. They're not fooled because those doctors read your mind. They know what you can do and not do.''

The Sun discovered that one doctor found a Watson boy had ''strong anti-social features in his personality and is volatile and explosive.'' And, ''he said he does not want work.''

Apparently, unless government rules are changed, he will never have to get a job.

Here is the Sun's description of what Mother Watson does with the $3,893 worth of monthly checks:

''As soon as she extracts the nine checks from the [post office] box, she cashes them. She gives the full amount so Sam, 21 and Cary, 22, the father of two children who have moved out of the house since being awarded benefits. The remainder is used for the other children and household expenses.

''Most of the money goes for the children to 'see that they have what's needed,' the woman says. 'With what's left, I pay bills and buy food.'

''One need is $120 allowances for George, 14 David, 17, Willie, 18, and Danny, 19.

''Being the age they is and being out therewith their little girlfriends, they need the money,' she says.''

The checks are sent because of a disability, but there is no requirement that the money be spent to try to overcome that disability, the Sun reports. The family's medical needs are taken care of through Medicaid, the value of which the newspaper did not attempt to calculate.

The reporters had a little trouble determining exactly what Rosie Watson's disability is.

In 1974 she said she couldn't work because of high blood pressure, heart trouble and bad nerves, and was rejected. In 1975 she reported it was anemia, dizziness, nerves and bad kidneys, and was rejected. In 1976 she blamed low blood pressure and heart problems, was rejected and gave up for a while.

In 1984 she applied again complaining of stomach problems, epilepsy and sinus trouble. In 1985 the list included ''female problems,'' and an examining doctor concluded: ''This is a 34-year-old black female who has seven children under 12 years of age, an alcoholic husband and no money, who complains of insomnia, crying spells, depression.''

She appealed that rejection to a judge who determined her unable to cope with the ''stresses of any type of competitive employment,'' and the checks began to flow. Two years later, a judge ruled her husband disabled because he was obese.

The newspaper concludes that the Watson family likely will remain on welfare permanently, with the children moving directly onto the adult rolls.

What did Congress intend when it created such a program that rewards failure more richly than the competitive market can reward hard work?

What it got was places like Lake Providence, where ''crazy checks'' have become important parts of the town's culture and economy.

[From the Washington Times, Feb. 13, 1995]

RUSSIA SELLS ROCKET MOTORS TO CHINA

(By Bill Gertz)

The Clinton administration is trying to halt Russia's sale of rocket motors to China because anti-proliferation officials say the engines will be used in advanced Chinese cruise missiles.

State Department officials notified Moscow last year that the sale of military rocket motors would violate the Missile Technology Control Regime (MTCR), the international accord aimed at blocking the spread of missile technology, according to administration officials.

But the Russian government recently informed the U.S. government it would not stop the sale because the White House had approved a similar sale of U.S.-made gas turbine engines to China last year.

One official said the small rocket motors are taken from Russian cruise missiles and

are suitable for use in Chinese cruise missiles.

The official said the sale would put Moscow in violation of the 1987 MTCR, which bars sales of missiles or components capable of lofting a payload of at least 1,100 pounds of a range of at least 186 miles.

The engine deal is part of broader Russian efforts to supply military hardware and technology to China, regarded as a major proliferator of weapons and technology, officials said.

The U.S.-Russia dispute over the sale comes amid fresh reports that the United States tried unsuccessfully to block an $800 million contract between Moscow and the Iranian government to build a nuclear power plant.

Russian officials went ahead with the Iranian reactor because of the U.S. agreement with North Korea to provide that rogue nation with nuclear reactor technology, said officials who spoke on condition of anonymity.

U.S. officials believe the Russian support will assist Tehran's drive for nuclear weapons, which many officials say are several years away.

''We have expressed our concerns on that issue and continue to express our concerns,'' White House Chief of Staff Leon Panetta said yesterday. ''And, obviously, we think that ultimately there's some hope that this will not take place.''

Mr. Panetta said the administration will review ''our relationship'' with Russia in an effort to force Moscow to ''adhere to the policy that we believe in, which is, let us not give aid to terrorists in this world.''

Administration officials said U.S. efforts to halt the proposed sale of Russian rocket motors to China were undermined by the sale last year of jet engines made by the Phoenix-based Garrett Co., a subsidiary of AlliedSignal.

The Garrett jet engines were sold to the Nanchang Aircraft Co., which manufactures jet trainers used by the Chinese military.

The engine sale lifted controls on the small engine technology that the CIA believes could be used in long-range Chinese cruise missiles.

China produces six types of surfaced-launched cruise missiles, including the Silkworm, and has exported cruise missiles to Iran, Iraq, North Korea and Pakistan. It also has exported airlaunched cruise missiles to Iran.

The officials did not disclose the exact type of cruise missile engine being marketed by the Russians.

The sale of jet engines by the Phoenix-based manufacturer Garrett was bitterly opposed by some CIA and Pentagon officials last year because of just the type of problem raised by efforts to head off the proposed engine sale by the Russians.

''The administration's counter-proliferation program is a total failure,'' one official said. ''There isn't one program that has been able to stop the proliferation of weapons technology.''

The Chinese are more interested in acquiring the Garrett engine production technology than the Russian engines, which are inferior to the U.S. engines.

In fact, the Chinese are now seeking to buy the technology needed to produce their own versions to produce their own versions of the Garrett turbine engines, U.S. officials said.

[From the Post, Monday, Feb. 20, 1995]

A RED FLAG ON TECHNOLOGY SALE TO CHINA

(By Jack Anderson and Michael Binstein)

The Clinton administration is proving once again that on arms proliferation issues, profit often rules over prudence.

At a time when American officials are threatening the People's Republic of China over its unfair trade practices, human rights abuses and weapons exports, the Clinton administration is poised to allow a controversial technology sale that many believe could help the communist country upgrade its missile program.

''This [sale] would give China the technological know-how to make engines for long-range cruise missiles capable of hitting any city in Japan, Korea—all the way through India,'' one frustrated American official explained. ''The administration knows this, but so far no one has had the political will to stand up and say no.''

The proposed deal involves AlliedSignal Inc., the California-based aerospace giant. The company recently informed the government that it intends to sell China the manufacturing technology used to build its Garrett gas turbine engines. This follows on the heels of a controversial decision by the administration last year to allow the Garrett engines to be sold.

AlliedSignal officials told us the technology poses little risk because it is suited only to build aircraft engines.''We are not in a position to judge China's missile engine manufacturing capability,'' a company spokesman said, ''However, the technology involved is specific to civil-certified [Garrett] engines, which are designed for aircraft operations.''

Arms proliferation experts believe China wants the Garrett technology to establish a domestic production line for upgraded cruise missile engines. ''Clearly, the Chinese could use this to make engines which are perfectly suited for that requirement,'' says Kenneth Timmerman, a security specialist and director of the Middle East Data Project.

Confidential government studies obtained by our associates Dean Boyd and Dale Van Atta support Timmerman's view. ''Garrett engines and/or production technology would provide an array of high * * * performance capabilities to satisfy [China's] military requirements well into the next century,'' one document alleges. Another study indicates China could make engines capable of launching a biological warhead about 1,000 miles if it obtained these materials.

Despite the red flags, the Clinton administration last year lifted the export controls that normally cover the Garrett technology. This means AlliedSignal is free to sell its manufacturing technology without government approval—unless the administration reverses itself. So far, there's been little indication this will happen.

Iain S. Baird, the Commerce Department's deputy assistant secretary for export administration, maintains there is no legal basis to oppose the sale. He says the Garrett technology is more than 20 years old and ''completely impractical'' for use in cruise missiles. Baird added that AlliedSignal should be applauded for taking ''the unusual step of advising'' the government of the sale when it wasn't required to.

In the original engine sale, which came in the wake of the administration's 1994 decision, the engines were to be used in a military jet China was developing with Pakistan. Many American officials opposed the deal, after intelligence studies found that the Chinese recipient was involved in missile building and that the engines could form the basis for a new Chinese cruise missile.

Nevertheless, the Clinton administration approved the sale, allowing the engines to be exported as civilian goods despite their declared military end-use. Despite specific warnings from Congress, officials at the Pentagon and the Commerce Department also removed export controls from the Garrett manufacturing technology.

Allied Signal says it has sold only 33 Garrett engines to China, and the technology sale hasn't been finalized. A company spokesman added, ''At this point, we don't need government approval.''

Critics of the deal are outraged. ''This is exactly what we said would happen a year ago,'' an American official said. ''We warned that the Chinese would come after the technology after they got the engines, but [the administration] decontrolled it anyway. In my mind, it constitutes criminal negligence.''

The anger generated by the proposed sale is not surprising considering a simulated war game played out by the Pentagon last year. In the fictitious battle scenario, which projected what China's military capability and manpower would be in 2010, China routed the U.S. Navy's 7th Fleet, due in part to a line of new precision-guided cruise missiles.

COMMUNICATION FROM THE CHAIRMAN OF THE COMMITTEE ON THE BUDGET REGARDING REVISED 302(a)/602(a) ALLOCATION FOR FISCAL YEARS 1995–1999

(Mr. KASICH asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. KASICH. Mr. Speaker, pursuant to section 202(c) of House Resolution 6, I am submitting for printing in the CONGRESSIONAL RECORD a revised allocation, based upon the conference report on House Congressional Resolution 218, the concurrent budget resolution for fiscal year 1995, of the appropriate levels of total outlays, new budget authority, and entitlement authority among each committee of the House of Representatives that has jurisdiction over legislation providing those amounts.

The revised allocation reflects the changes in committee jurisdiction set forth in clause 1 of rule X of the Rules of the House of Representatives for the 104th Congress. Pursuant to section 202(c) of House Resolution 6, the revised allocation shall be effective in the House as though made pursuant to sections 302(a) and 602(a) of the Congressional Budget Act of 1974.

Section 302(b) and 602(b) of the Congressional Budget Act of 1974 require the submission of an allocation as part of the joint statement accompanying a conference report on a budget resolution. The allocation provides the basis for congressional enforcement of the resolution through points of order under the Congressional Budget Act.

The allocation is as follows:

ALLOCATIONS OF SPENDING TO HOUSE COMMITTEES PURSUANT TO SEC. 602(a) OF THE CONGRESSIONAL BUDGET ACT—FY 1995

[In millions of dollars]

	Budget authority	Outlays	Entitlement authorities
APPROPRIATIONS COMMITTEE			
Current level (enacted law):			
050 National Defense	198	198	
150 International Affairs	174	174	
300 Natural Resources & Environment	2,088	1,932	
350 Agriculture	8,902	546	
370 Commerce & Housing Credit	938	1,238	
400 Transportation	571	574	
500 Education, Training, Employment & Social Services	12,280	12,059	
550 Health	100,823	100,790	
570 Medicare	42,896	42,896	
600 Income	77,792	78,012	
650 Social Security	25	25	
700 Veterans' Benefits & Services	18,599	18,119	
750 Administration of Justice	398	394	
800 General Government	7,743	7,735	
900 Net Interest	57	57	
Subtotal	273,484	264,750	
Discretionary appropriations action (assumed legislation):			
050 National Defense	264,321	271,102	
150 International Affairs	20,936	20,954	
250 General Science, Space & Technology	17,300	17,153	
270 Energy	6,475	6,488	
300 Natural Resources & Environment	21,358	21,238	
350 Agriculture	4,421	4,500	
370 Commerce & Housing Credit	3,714	3,488	
400 Transportation	15,211	38,348	
450 Community & Regional Development	9,165	9,129	
500 Education, Training, Employment & Social Services	44,321	40,425	
550 Health	23,119	22,237	
570 Medicare	2,975	2,974	
600 Income	34,850	37,533	
650 Social Security		2,590	
700 Veterans' Benefits & Services	17,926	17,742	
750 Administration of Justice	18,465	16,849	
800 General Government	13,206	12,951	
920 Allowances	(6,604)	(4,722)	
Subtotal	511,159	540,979	
Discretionary action by other committees (assumed entitlement legislation):			
600 Income Security	361	309	
700 Veterans' Benefits & Services	340	340	
Subtotal	701	649	
Committee total	785,344	806,378	
AGRICULTURE COMMITTEE			
Current level (enacted law):			
150 International Affairs	(534)	(534)	
270 Energy	13	(459)	
300 Natural Resources & Environment	514	519	
350 Agriculture	8,416	7,308	7,924
400 Transportation	61	61	
450 Community & Regional Development	324	280	
600 Income Security			1,142
800 General Government	270	273	
900 Net Interest			57
Committee total	9,063	7,448	9,123
NATIONAL SECURITY			
Current level (enacted law):			
50 National Defense	12,788	12,925	
300 Natural Resources & Environment	3	2	
400 Transportation	6	(22)	
500 Education	4	3	
600 Income Security	27,599	27,467	27,461
700 Veterans' Benefits	191	179	179
Committee total	40,591	40,554	27,640
BANKING, FINANCE & URBAN AFFAIRS			
Current level (enacted law):			
150 International Affairs	(479)	(1,355)	
370 Commerce & Housing Credit	2,935	(12,934)	
450 Community & Regional Development	2	(17)	
500 Education, Training, Employment & Social Services		1	
600 Income Security	50	166	
800 General Government	(28)	(22)	
900 Net Interest	3,108	3,108	
Committee total	5,587	(11,054)	
ECONOMIC & EDUCATIONAL OPPORTUNITIES			
Current level (enacted law):			
500 Education, Training, Employment & Social Services	905	1,010	4,095
600 Income Security	122	120	9,437
Subtotal	1,026	1,130	13,532
Discretionary action (assumed legislation):			
600 Income Security			309
Committee total	1,026	1,130	13,841
COMMERCE			
Current level (enacted law):			
300 Natural Resources & Environment		(7)	
400 Transportation	11	9	
550 Health	433	435	96,484
600 Income Security	14,778	14,407	11,196
800 General Government	8	8	

ALLOCATIONS OF SPENDING TO HOUSE COMMITTEES PURSUANT TO SEC. 602(a) OF THE CONGRESSIONAL BUDGET ACT—FY 1995—Continued

[In millions of dollars]

	Budget authority	Outlays	Entitlement authorities
Committee total	15,231	14,851	107,680
INTERNATIONAL RELATIONS			
Current level (enacted law):			
150 International Affairs	14,464	14,082	
400 Transportation	7	18	
600 Income Security	479	479	468
800 General Government	4	4	
Committee total	14,954	14,582	468
GOVERNMENT REFORM & OVERSIGHT			
Current level (enacted law):			
550 Health		(653)	3,658
600 Income Security	37,999	36,802	36,802
750 Administration of Justice	44	44	44
800 General Government	13,328	13,328	
900 Net Interest	87	87	
Committee total	51,458	49,609	40,505
HOUSE OVERSIGHT			
Current level (enacted law):			
500 Education, Training, Employment & Social Services	19	17	
700 Veterans' Benefits & Services	2	2	
800 General Government	83	26	116
Committee total	104	45	116
RESOURCES			
Current level (enacted law):			
270 Energy	167	(62)	
300 Natural Resources	681	572	
370 Commerce Housing & Credit	66	66	
450 Community & Regional Development	444	441	339
550 Health	5	5	
800 General Government	819	829	171
Committee total	2,181	1,849	510
JUDICIARY			
Current level (enacted law):			
370 Commerce & Housing Credit	152	152	
500 Education, Training, Employment & Social Services	243	244	
600 Income Security	60	19	19
750 Administration of Justice	1,328	1,360	173
800 General Government	488	488	
Committee total	2,270	2,262	191
TRANSPORTATION & INFRASTRUCTURE			
Current level (enacted law):			
270 Energy	1,356	760	
300 Natural Resources	270	218	
400 Transportation	24,101	6	546
450 Community & Regional Development	5	168	
800 General Government	16	16	
Subtotal	25,748	1,169	546
Discretionary action (assumed legislation):			
400 Transportation	2,161		
Committee total	27,909	1,169	546
SCIENCE			
Current level (enacted law):			
250 General Science, Space & Technology	30	30	
500 Education, Training, Employment & Social Services	1	1	
Committee total	31	31	
SMALL BUSINESS			
Current level (enacted law):			
370 Commerce & Housing Credit	6	(104)	
450 Community & Regional Development		(279)	
Committee total	6	(383)	
VETERANS' AFFAIRS			
Current level (enacted law):			
700 Veterans' Benefits & Services	1,531	1,596	19,498
Subtotal	1,531	1,596	19,498
Discretionary action (assumed legislation):			
700 Veterans' Benefits & Services			340
Committee total	1,531	1,596	19,837
WAYS & MEANS			
Current level (enacted law):			
500 Education, Training, Employment & Social Services			7,535
570 Medicare	183,258	181,302	177,368
600 Income Security	39,966	39,095	80,609
650 Social Security	6,815	6,815	
750 Administration of Justice	450	450	
800 General Government	354	354	
900 Net Interest	314,285	314,285	314,285
Committee total	545,129	542,301	579,797
UNASSIGNED TO COMMITTEES			
Current level (enacted law):			
050 National Defense	(13,508)	(13,524)	

ALLOCATIONS OF SPENDING TO HOUSE COMMITTEES PURSUANT TO SEC. 602(a) OF THE CONGRESSIONAL BUDGET ACT—FY 1995—Continued

[In millions of dollars]

	Budget authority	Outlays	Entitlement authorities
150 International Affairs	(15,261)	(15,221)	
250 General Science, Space & Technology	(30)	17	
270 Energy	(1,711)	(1,726)	
300 Natural Resources & Environment	(3,214)	(3,175)	
350 Agriculture	(8,738)	(154)	
370 Commerce & Housing Credit	(111)	(105)	
400 Transportation	(229)	(193)	
450 Community & Regional Development	(440)	(422)	
500 Education, Training, Employment & Social Services	(73)	(60)	
550 Health	(79)	(14)	
570 Medicare	(66,729)	(66,672)	
600 Income Security	(13,256)	(13,210)	
650 Social Security	(40)	(30)	
700 Veterans' Benefits & Services	(1,389)	(1,377)	
750 Administration of Justice	(1,884)	(1,896)	
800 General Government	(21,885)	(21,885)	
900 Net Interest	(70,438)	(70,438)	(55,752)
920 Allowances	4	22	
950 Undistributed Offsetting Receipts	(44,700)	(44,700)	
Committee total	(263,710)	(254,762)	(55,752)
Grand committee total	1,238,705	1,217,605	744,502

ALLOCATION OF SPENDING RESPONSIBILITY TO HOUSE COMMITTEES PURSUANT TO SECTION 602(a) OF THE CONGRESSIONAL BUDGET ACT

[By fiscal year, in millions of dollars]

	1995	1996	1997	1998	1999	1995–1999
APPROPRIATIONS COMMITTEE						
Current level:						
Budget authority	273,484	270,468	302,357	328,114	359,693	1,534,116
Outlays	264,750	261,786	293,031	319,587	350,593	1,489,747
Discretionary action:						
General purpose:						
Budget authority	506,872	509,616	511,391	519,492	531,725	2,578,646
Outlays	538,696	538,706	539,951	541,050	542,001	2,700,404
Violent crime:						
Budget authority	4,287	5,000	5,500	6,500	6,500	27,787
Outlays	2,283	3,936	4,904	5,639	6,225	22,987
Total:						
Budget authority	511,159	514,616	516,891	525,992	537,775	2,606,433
Outlays	540,979	542,642	544,855	546,689	548,226	2,723,391
Discretionary action by other committees:						
Budget authority	701	27,668	29,239	33,503	35,395	126,506
Outlays	649	27,019	29,177	32,850	35,213	124,908
Committee total:						
Budget authority	785,344	812,752	848,487	887,609	932,864	4,267,055
Outlays	806,378	831,447	867,063	899,126	934,032	4,338,045
AGRICULTURE COMMITTEE						
Current level (enacted law):						
Budget authority	9,063	9,733	10,052	10,205	10,517	49,570
Outlays	7,448	7,569	7,660	7,791	8,067	38,535
New entitlement authority		1,150	1,204	1,237	1,270	4,861
NATIONAL SECURITY COMMITTEE						
Current level (enacted law):						
Budget authority	40,591	42,789	45,053	47,498	50,776	226,707
Outlays	40,554	42,609	44,857	47,313	50,584	225,917
BANKING, FINANCE & URBAN AFFAIRS COMMITTEE						
Current level (enacted law):						
Budget authority	5,587	3,981	3,609	3,447	3,310	19,934
Outlays	(11,054)	(13,068)	(5,800)	(5,677)	(4,789)	(40,388)
Currentl level (enacted by law):						
ECONOMIC & EDUCATIONAL OPPORTUNITIES COMMITTEE						
Budget authority	1,026	532	351	176	97	2,181
Outlays	1,130	(733)	(44)	172	77	602
New entitlement authority	309	389	420	2,162	2,663	5,943
COMMERCE COMMITTEE						
Current level (enacted law):						
Budget authority	15,231	15,552	15,873	16,141	16,349	79,146
Outlays	14,851	15,152	15,284	15,540	15,547	76,374
INTERNATIONAL RELATIONS COMMITTEE						
Current level (enacted law):						
Budget authority	14,954	12,507	11,584	10,489	9,683	59,217
Outlays	14,582	13,798	12,980	12,122	11,276	64,758
GOVERNMENT REFORM & OVERSIGHT COMMITTEE						
Current level (enacted law):						
Budget authority	51,458	52,669	54,455	56,350	58,402	273,334
Outlays	49,609	50,692	52,426	54,247	56,228	263,202
HOUSE OVERSIGHT COMMITTEE						
Current level (enacted law):						
Budget authority	104	103	102	103	104	516
Outlays	45	203	23	20	49	340
RESOURCES COMMITTEE						
Current level (enacted law):						
Budget authority	2,181	2,245	2,167	2,094	2,112	10,799
Outlays	1,849	2,113	2,152	2,081	2,023	10,218
JUDICIARY COMMITTEE						
Current level (enacted law):						
Budget authority	2,270	2,180	2,284	2,404	2,528	11,666
Outlays	2,262	2,140	2,224	2,343	2,467	11,436
TRANSPORTATION & INFRASTRUCTION COMMITTEE						
Current level (enacted law):						
Budget authority	25,748	25,254	27,335	1,554	834	80,725
Outlays	1,169	979	981	971	636	4,736
Discretionary action:						
Budget authority	2,161	2,161	2,161	28,750	29,508	64,741

ALLOCATION OF SPENDING RESPONSIBILITY TO HOUSE COMMITTEES PURSUANT TO SECTION 602(a) OF THE CONGRESSIONAL BUDGET ACT—Continued

[By fiscal year, in millions of dollars]

	1995	1996	1997	1998	1999	1995–1999
Outlays						
Committee total:						
Budget authority	27,909	27,415	29,496	30,304	30,342	145,466
Outlays	1,169	979	981	971	636	4,736
SCIENCE COMMITTEE						
Current level (enacted law):						
Budget authority	31	31	31	31	31	155
Outlays	31	31	31	31	31	155
SMALL BUSINESS COMMITTEE						
Current level (Enacted Law):						
Budget authority	6	3	4	3	3	19
Outlays	(383)	(313)	(249)	(185)	(154)	(1,284)
VETERANS' AFFAIRS COMMITTEE						
Current level (enacted law):						
Budget authority	1,531	1,470	1,445	1,344	1,272	7,062
Outlays	1,596	1,446	1,449	1,464	1,464	7,419
New entitlement authority	340	674	1,133	1,573	2,023	5,743
WAYS & MEANS COMMITTEE						
Current level (enacted law):						
Budget authority	545,129	588,303	628,675	671,199	719,529	3,152,835
Outlays	542,301	585,182	625,435	667,765	715,576	3,136,259
New entitlement authority						
UNASSIGNED TO COMMITTEE						
Current level (enacted law):						
Budget Authority	(263,710)	(263,466)	(279,269)	(295,496)	(311,017)	(1,412,958)
Outlays	(254,762)	(254,848)	(269,872)	(286,822)	(302,214)	(1,368,518)
Total current level:						
Budget Authority	724,684	764,355	826,109	855,655	924,221	4,095,024
Outlays	675,978	714,738	782,568	838,761	907,461	3,919,506
Total discretionary action:						
Budget Authority	514,021	544,445	548,291	588,245	602,679	2,797,681
Outlays	541,627	569,661	574,032	579,539	583,439	2,848,298
Grand total:						
Budget Authority	1,238,705	1,308,800	1,374,400	1,443,900	1,526,900	6,892,705
Outlays	1,217,605	1,284,400	1,356,600	1,418,300	1,490,900	6,767,400
Total new entitlement authority	649	2,214	2,757	4,972	6,170	16,761

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. HUNTER (at the request of Mr. ARMEY), for today, on account of family medical reasons.

Mr. RUSH (at the request of Mr. GEPHARDT), for February 24, 27, and 28, on account of personal business.

Mr. MFUME (at the request of Mr. GEPHARDT), for today, on account of personal business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

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

Mr. FARR, for 5 minutes, today.

Mr. OWENS, for 5 minutes, today.

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

Mr. KASICH, for 5 minutes, today.

Mr. WHITFIELD, for 5 minutes, on February 28.

Mr. FOX of Pennsylvania, 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. TOWNS) and to include extraneous matter:)

Mr. STARK, in two instances.

Mr. MARKEY.

Mr. OBEY.

Mr. MILLER of California.

Mr. DELLUMS.

Mr. FAZIO of California.

Mr. MANTON.

Mr. FALEOMAVAEGA.

Mr. MOAKLEY.

Ms. KAPTUR.

Mr. MCNULTY.

Mr. PASTOR.

Mr. POSHARD.

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

Mrs. JOHNSON of Connecticut.

Mr. ROGERS.

Mr. MOOREHEAD.

Mr. SHAYS.

Mr. SMITH of New Jersey.

Mr. PACKARD.

Mr. DAVIS, in two instances.

Mr. YOUNG of Alaska, in two instances.

Mr. GILMAN.

ADJOURNMENT

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

The motion was agreed to; accordingly (at 11 o'clock and 8 minutes p.m.), under its previous order, the House adjourned until tomorrow, Tuesday, February 28, 1995, at 9:30 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

411. A letter from the Under Secretary of Defense (Comptroller), transmitting a report of a violation of the Anti-Deficiency Act which occurred in the Department of the Navy, pursuant to 31 U.S.C. 1517(b); to the Committee on Appropriations.

412. A letter from the Under Secretary of Defense (Comptroller), transmitting a report of a violation of the Anti-Deficiency Act which occurred in the Department of the Air Force, pursuant to 31 U.S.C. 1517(b); to the Committee on Appropriations.

413. A letter from the Assistant Secretary of Defense for Economic Security, transmitting the BRAC 95 force structure plan for the Armed Forces, pursuant to Public Law 101–510, section 2903(a); to the Committee on National Security.

414. A letter from the Acting Secretary of State, Department of State, transmitting the listing of a commercial military export that is eligible for approval in calendar year 1995, pursuant to 22 U.S.C. 2765(a); to the Committee on International Relations.

415. A letter from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting copies of international agreements, other than treaties, entered into by the United States, pursuant to 1 U.S.C. 112b(a); to the Committee on International Relations.

416. A letter from the Deputy Assistant Secretary for Public Affairs, Department of Defense, transmitting a report of activities under the Freedom of Information Act for calendar year 1994, pursuant to 5 U.S.C. 552(d); to the Committee on Government Reform and Oversight.

417. A letter from the Chairman, U.S. Merit Systems Protection Board, transmitting a report of activities under the Freedom of Information Act for calendar year 1994, pursuant to 5 U.S.C. 552(d); to the Committee on Government Reform and Oversight.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. MCINNIS: Committee on Rules. House Resolution 100. Resolution providing for the consideration of the bill (H.R. 926) to promote regulatory flexibility and enhance public participation in Federal agency rulemaking, and for other purposes (Rept. 104–52). Referred to the House Calendar.

Mr. LEACH: Committee on Banking and Financial Services. House Resolution 80. Resolution requesting the President to submit information to the House of Representatives concerning actions taken through the exchange stabilization fund to strengthen the Mexican peso and stabilize the economy of Mexico; with an amendment (Rept. 104–53). Referred to the Committee of the Whole House on the state of the Union.

Mr. YOUNG of Alaska: Committee on Resources. H.R. 531. A bill to designate the Great Western Scenic Trail as a study trail under the National Trails System Act, and for other purposes; with an amendment (Rept. 104–54). Referred to the Committee of the Whole House on the State of the Union.

Mr. YOUNG of Alaska: Committee on Resources. H.R. 529. A bill to authorize the exchange of National Forest System lands in the Targhee National Forest in Idaho for non-Federal lands within the forest in Wyoming; with an amendment (Rept. 104–55). Referred to the Committee of the Whole House on the State of the Union.

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. GILMAN:

H.R. 1057. A bill to provide for hearing care services by audiologists to Federal civilian employees; to the Committee on Government Reform and Oversight.

By Mr. BLILEY (for himself, Mr. FIELDS of Texas, Mr. COX of California, and Mr. TAUZIN):

H.R. 1058. A bill to reform Federal securities litigation, and for other purposes; to the Committee on Commerce, and in addition to the Committee on the Judiciary, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. FALEOMAVAEGA:

H.R. 1059. A bill to require the Secretary of Agriculture to extend a nutrition assistance program to American Samoa, and for other purposes; to the Committee on Agriculture.

H.R. 1060. A bill to include the Territory of American Samoa in the Supplemental Security Income Program; to the Committee on Ways and Means.

By Mrs. JOHNSON of Connecticut (for herself, Mr. MATSUI, Mr. CRANE, Mrs. KENNELLY, and Ms. ESHOO):

H.R. 1061. A bill to amend the Internal Revenue Code of 1986 to more accurately codify the depreciable life of semiconductor manufacturing equipment; to the Committee on Ways and Means.

By Mr. LEACH:

H.R. 1062. A bill to enhance competition in the financial services industry by providing a prudential framework for the affiliation of banks, securities firms, and other financial service providers; to the Committee on Banking and Financial Services, and in addition to the Committee on Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. MARKEY:

H.R. 1063. A bill to provide a framework for Securities and Exchange Commission supervision and regulation of derivatives activities, and for other purposes; to the Committee on Commerce.

By Mr. SENSENBRENNER:

H.R. 1064. A bill to repeal the Impoundment Control Act of 1974; to the Committee on Government Reform and Oversight, and in addition to the Committee on Rules, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. SMITH of New Jersey:

H.R. 1065. A bill to direct the Secretary of Health and Human Services to establish a program to provide pregnant women with certificates to cover expenses incurred in receiving services at maternity and housing services facilities and to direct the Secretary of Housing and Urban Development to provide assistance to nonprofit entities for the rehabilitation of existing structures for use as facilities to provide housing and services to pregnant women; to the Committee on Commerce, and in addition to the Committee on Banking and Financial Services, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

H.R. 1066. A bill to establish grant programs and provide other forms of Federal assistance to pregnant women, children in need of adoptive families, and individuals and families adopting children; to the Committee on Economic and Educational Opportunities, and in addition to the Committees on National Security, Banking and Financial Services, Ways and means, Commerce, Government Reform and Oversight, and Transportation and Infrastructure, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. STARK:

H.R. 1067. A bill to amend title XVIII of the Social Security Act to require renal dialysis facilities to meet hemodialysis standards as a condition of receiving payment for renal hemodialysis services furnished under the Medicare Program; to the Committee on Commerce, and in addition to the Committee on Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

H.R. 1068. A bill to direct the Secretary of Health and Human Services to conduct a demonstration project under which payment shall be made under the Medicare Program for renal disease management services furnished to individuals at risk for end stage renal disease to accurately assess whether those management services can prevent the progression of renal disease to renal failure and thereby delay the onset of dialysis and cause savings for the Medicare Program; to the Committee on Commerce, and in addition to the Committee on Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. UNDERWOOD (for himself and Mr. FRAZER):

H.R. 1069. A bill to extend the Supplemental Security Income Benefits Program to Guam and the U.S. Virgin Islands; to the Committee on Ways and Means.

ADDITIONAL SPONSORS

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

H.R. 9: Mr. DREIER, Mr. TAYLOR of North Carolina, Mr. GALLEGLY, Mr. PETERSON of Minnesota, and Mr. CHABOT.

H.R. 24: Mr. PETERSON of Minnesota.

H.R. 70: Mr. CHABOT and Mr. HASTINGS of Washington.

H.R. 89: Mr. GUNDERSON.

H.R. 93: Mr. STUMP.

H.R. 94: Mr. QUILLEN and Mr. BUNNING of Kentucky.

H.R. 218: Mr. LAHOOD.

H.R. 248: Ms. LOFGREN.

H.R. 312: Mr. SENSENBRENNER, Mr. TALENT, Mr. PETERSON of Minnesota, Mr. HANCOCK, Mr. SOUDER and Mr. COX.

H.R. 371: Mr. CRAMER.

H.R. 375: Mr. HERGER.

H.R. 377: Ms. FURSE and Mr. EVANS.

H.R. 436: Mr. BARRETT of Nebraska, Mrs. LINCOLN, Mr. JOHNSON of South Dakota, Mr. STENHOLM, Mr. BISHOP, Mr. JACOBS, Mr. MINGE, and Mrs. CHENOWETH.

H.R. 489: Mr. DICKEY, Mr. ALLARD, and Mr. HASTINGS of Washington.

H.R. 490: Mr. DICKEY and Mr. RIGGS.

H.R. 497: Mr. PACKARD, Mr. HALL of Ohio, Mr. MCKEON, and Mr. WICKER.

H.R. 605: Mrs. MEYERS of Kansas, Mr. SHAYS, and Mr. ROYCE.

H.R. 638: Mr. ENGEL and Mr. REED.

H.R. 652: Mr. LIPINSKI and Mr. BEILENSON.

H.R. 676: Mr. MEEHAN, Mr. DELLUMS, Mr. SANDERS, Mr. FRANK of Massachusetts, Mr. LIPINSKI, Mr. JACOBS, Ms. RIVERS, Mr. WAXMAN, Mr. BROWN of California, Ms. ESHOO, and Ms. ROYBAL-ALLARD.

H.R. 682: Mr. BREWSTER, Mr. CRANE, and Mr. BURTON of Indiana.

H.R. 697: Mr. ALLARD.

H.R. 721: Ms. DELAURO and Mr. PORTER.

H.R. 726: Mr. KANJORSKI, Mr. FILNER, Ms. ESHOO, Mr. DEAL of Georgia, Mr. SISISKY, and Mr. SENSENBRENNER.

H.R. 733: Mr. RAMSTAD, Mr. BARCIA of Michigan, Mr. LINDER, Ms. LOFGREN, Mr. SMITH of Texas, and Mrs. JOHNSON of Connecticut.

H.R. 734: Mr. BARCIA of Michigan, Mr. LINDER, Ms. LOFGREN, Mr. SMITH of Texas, and Mrs. JOHNSON of Connecticut.

H.R. 763: Mr. PETE GEREN of Texas, Mr. BEILENSON, Mr. LEACH, Mr. FIELDS of Texas, Mr. ENGLISH of Pennsylvania, Mr. GENE GREEN of Texas, Mr. HORN, Mr. PICKETT, Mr. DAVIS, Mr. MARKEY, Mr. DORNAN, Mr. SHAW, Mr. BOUCHER, Mr. SISISKY, Mr. SHAYS, Mr. FALEOMAVAEGA, Mr. DINGELL, Mr. MOAKLEY, Mr. BACHUS, and Mr. WICKER.

H.R. 782: Mr. DAVIS, Mrs. MORELLA, Mr. BARTLETT of Maryland, and Mr. MORAN.

H.R. 788: Mr. SOUDER and Mrs. WALDHOLTZ.

H.R. 789: Mr. ALLARD.

H.R. 795: Mr. HERGER.

H.R. 800: Mr. GUTKNECHT, Mr. RIGGS, and Mr. WICKER.

H.R. 804: Mr. SOUDER and Mr. BARTLETT of Maryland.

H.R. 833: Mr. LEACH and Mr. TOWNS.

H.R. 861: Mr. COLEMAN and Mr. BILBRAY.

H.R. 873: Mr. STEARNS, Mr. CHRYSLER, Mr. WICKER, Mr. BROWN of Ohio, Mrs. SMITH of Washington, Mr. FAWELL, and Mr. MEEHAN.

H.R. 949: Mr. FUNDERBURK and Mr. JACOBS.

H.R. 952: Mr. CANADY, Mr. MINGE, Mr. SENSENBRENNER, Mr. KOLBE, Mr. WELDON of Pennsylvania, and Mr. SMITH of New Jersey.

H.R. 963: Mr. GOSS, Mr. ROTH, Mr. FROST, Mr. GENE GREEN of Texas, Mrs. FOWLER, Mr. LIPINSKI, Mr. CUNNINGHAM, Mr. SENSENBRENNER, Mr. SAXTON, and Mr. HANCOCK.

H.R. 971: Mr. STARK.

H.R. 1015: Mr. NEUMANN.

H.R. 1043: Mr. PETE GEREN of Texas, Mr. MORAN, Mr. LATOURETTE, Mr. WICKER, and Mr. OLVER.

H.J. Res. 52: Ms. WOOLSEY.

H.J. Res 61: Mr. COBLE, Mr. GALLEGLY, Mrs. VUCANOVICH, Mr. SOLOMON, Mr. QUILLEN, Mr.

KNOLLENBERG, Mr. BARTON of Texas, Mr. BAKER of California, Mr. LAHOOD, Mr. DOOLITTLE, Mr. JONES, Mr. BARR, Mr. WICKER, Mr. TATE, Mr. KINGSTON, Mr. EWING, Mr. WELLER, Mr. STEARNS, Mr. MOORHEAD, Mr. SHUSTER, and Mrs. SEASTRAND.

H. Con. Res. 12: Mr. BROWNBACK, Mr. TALENT, Mr. COX, and Mr. ABERCROMBIE.

H. Con. Res. 28: Mr. CONYERS.

H. Con. Res. 31: Mr. ZIMMER, Mr. FRANK of Massachusetts, Mr. SCHUMER, Mr. GENE GREEN of Texas, Mr. ANDREWS, Mr. PALLONE, Mr. MEEHAN, and Mr. RANGEL.

H. Res. 56: Mr. FOLEY.

H. Res. 80: Mr. FILNER, Mr. GORDON, Mr. HOLDEN, and Mr. BROWN of Ohio.

AMENDMENTS

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

H.R. 925

OFFERED BY: MR. FATTAH

AMENDMENT NO. 1. Page 2, line 8, after the period insert ''The Federal Government may, in a civil action, obtain equitable contribution toward the payment of any compensation required under this Act from any property owners the value of whose property was increased by the agency action that gave rise to the right to that compensation.''.

H.R. 925

OFFERED BY: MR. TRAFICANT

AMENDMENT NO. 2: Page 2, line 5, strike ''10'' and insert ''25''.

H.R. 925

OFFERED BY: MR. TRAFICANT

AMENDMENT NO. 3: Page 5, after line 8, insert the following:

SEC. . DUTY OF NOTICE TO OWNERS.

Whenever an agency takes an agency action limiting the use of private property, the agency shall give notice to the owners of that property explaining their rights under this Act and the procedures for obtaining any compensation that may be due to them under this Act.

Redesignate succeeding sections accordingly.

H.R. 925

OFFERED BY: MR. WATT OF NORTH CAROLINA

AMENDMENT NO. 4: Page 4, strike lines 6 through 21.

H.R. 925

OFFERED BY: MR. WATT OF NORTH CAROLINA

AMENDMENT NO. 5: Page 2, lines 12 and 13, change the heading to read:

''(a) CIRCUMSTANCES IN WHICH NO COMPENSATION SHALL BE AWARDED.—''

Page 2, after line 19, add the following:

''No compensation shall be made under this Act with respect to an agency action which is reasonably related to or in furtherance of the purposes of any law enacted by Congress, unless such law is determined to be in violation of the United States Constitution.''

Page 4, strike lines 6 through 21.

H.R. 926

OFFERED BY: MR. EWING

AMENDMENT NO. 1: Page 2, line 11, strike ''180 days'' and insert ''one year'', in line 24, strike ''(2)(A)'' and all that follows through ''(B)'' in line 4 on page 3, and in line 8 on page 3, strike ''180 days'' and insert ''one year''.

H.R. 926

OFFERED BY: MR. TRAFICANT

AMENDMENT NO. 2: Page 15, line 22, strike ''and'', in line 3 on page 16 strike the period and insert ''; and'', and add after line 3 the following:

''(D) any regulation proposed or issued in connection with imposing trade sanctions against any country that engages in illegal trade activities against the United States that are injurious to American technology, jobs, pensions, or general economic well-being.

H.R. 926

OFFERED BY: MR. TRAFICANT

AMENDMENT NO. 3: Page 15, line 22, strike ''and'', in line 3 on page 16 strike the period and insert ''; and'', and add after line 3 the following:

''(D) any regulation proposed or issued in connection with ensuring the collection of taxes from a subsidiary of a foreign company doing business in the United States.

H.R. 926

OFFERED BY: MR. WATT OF NORTH CAROLINA

AMENDMENT NO. 4: On page 6, line 16, strike the period and insert the following new language:

''(4) SPECIAL RULE.—No proposed rules issued by an appropriate federal banking agency (as that term is defined in section 3(q) of the Federal Deposit Insurance Act (12 U.S.C. 1813(q)), the National Credit Union Administration, or the Office of Federal Housing Enterprise Oversight, shall be subject to the requirements of this subsection.''

H.R. 1022

OFFERED BY: MR. BARTON OF TEXAS

AMENDMENT NO. 5: Page 36, after line 2, insert the following new title, redesignate title VI as title VII, and redesignate section 601 on page 36, line 4, as section 701:

TITLE VI—PETITION PROCESS

SEC. 601. PETITION PROCESS.

(2) PURPOSE.—The purpose of this section is to provide an accelerated process for the review of Federal programs designated to protect human health, safety, or the environment and to revise rules and program elements where possible to achieve substantially equivalent protection of human health, safety or the environment at a substantially lower cost of compliance or in a more flexible manner.

(b) ACCELERATED PROCESS FOR CERTAIN PETITIONS.—Within 1 year after the date of enactment of this Act, the head of each Federal agency administering any program designed to protect human health, safety, or the environment shall establish accelerated procedures for accepting and considering petitions for the review of any rule or program element promulgated prior to the effective date of this Act which is part of such program, if the annual costs of compliance with such rule or program element are at least $25,000,000.

(c) WHO MAY SUBMIT PETITIONS.—Any person who demonstrates that he or she is affected by a rule or program element referred to in subsection (b) may submit a petition under this section.

(d) CONTENTS OF PETITIONS.—Each petition submitted under this section shall include adequate supporting documentation, including, where appropriate, the following:

(1) New studies or other relevant information that provide the basis for a proposed revision of a risk assessment or risk characterization used as a basis of a rule or program element.

(2) Information documenting the costs of compliance with any rule or program element which is the subject of the petition and information demonstrating that a revision could achieve protection of human health, safety or the environment substantially equivalent to that achieved by the rule or program element concerned but at a substantially lower cost of compliance or in a manner which provides more flexibility to States, local, or tribal governments, or regulated entities. Such documentation may include information concerning investments and

other actions taken by persons subject to the rule or program element in good faith to comply.

(e) DEADLINES FOR AGENCY RESPONSE.—Each agency head receiving petitions under this section shall assemble and review all such petitions received during the 6-month period commencing upon the promulgation of procedures under subsection (b) and during 15 successive 6-month periods thereafter. Not later than 180 days after the expiration of each such review period, the agency head shall complete the review of such petitions, make a determination under subsection (f) to accept or to reject each such petition, and establish a schedule and priorities for taking final action under subsection (g) with respect to each accepted petition. For petitions accepted for consideration under this section, the schedule shall provide for final action under subsection (g) within 18 months after the expiration of each such 180-day period and may provide for consolidation of reasonably related petitions. The schedule and priorities shall be based on the potential to more efficiently focus national economic resources within Federal regulatory programs designed to protect human health, safety, or the environment on the most important priorities and on such other factors as such Federal agency considers appropriate.

(f) CRITERIA FOR ACCEPTANCE OF PETITIONS.—

(1) IN GENERAL.—An agency head shall accept a petition for consideration under this section if the petition meets the applicable requirements of subsections (b), (c), and (d) and if there is a reasonable likelihood that the revision requested in the petition would achieve protection of human health, safety or the environment substantially equivalent to that achieved by the rule or program element concerned but a substantially lower cost of compliance or in a manner which provides more flexibility to States, local, or tribal governments, or regulated entities.

(2) FINAL AGENCY ACTION.—If the agency head rejects the petition, the agency head shall publish the reasons for doing so in the Federal Register. Any petition rejected for consideration under this section may be considered by the agency under any other applicable procedures, but a rejection of a petition under this section shall be considered final agency action.

(3) CONSIDERATION.—In determining whether to accept or reject a petition with respect to any rule or program element, the agency shall take into account any information provided by the petitioner concerning costs incurred in complying with the rule or program element prior to the date of the petition and the costs that could be incurred by changing the rule or program element as proposed in the petition.

(g) FINAL AGENCY ACTION.—In accordance with the schedule established under subsection (e), and after notice and opportunity for comment, the agency head shall take final action regarding petitions accepted under subsection (f) by either revising a rule or program element or determining not to make any such revision. When reviewing any final agency action under this subsection, the court shall hold unlawful and set aside the agency action if found to be unsupported by substantial evidence.

(h) OTHER PROCEDURES REMAIN AVAILABLE.—Nothing in this section shall be construed to preclude the review or revision of any risk characterization document, risk assessment document, rule or program element at any time under any other procedures.

SEC. 602. REVIEWS OF HEALTH EFFECTS VALUES.

Within 5 years after the enactment of this Act, the Administrator of the Environmental Protection Agency shall review each health or environmental effects value placed, before the effective date of title I, on the Integrated Risk Information System (IRIS) Database maintained by the Agency and revise such value to comply with the provisions of title I.

SEC. 603. DEFINITIONS.

As used in this title:

(1) The term ''Federal agency'' has the same meaning as when used in section 110.

(2) The terms ''rule'' and ''program element'' shall include reasonably related provisions of the Code of Federal Regulations and any guidance, including protocols of general applicability establishing policy regarding risk assessment or risk characterization, but shall not include any permit or license or any regulation or other action by an agency to authorize or approve any individual substance or product.

H.R. 1022

OFFERED BY: MR. COOLEY

AMENDMENT NO. 6: Page 4, after line 18, insert after section 3(4) the following new paragraph (5):

(5) An action under any regulatory program designed to protect human health, safety, or the environment under any Federal law for which appropriations are not specifically and explicitly authorized for the fiscal year in which the action is taken, except that this Act applies to such action after the first date on which there has been enacted after the date of the enactment of this Act a law authorizing appropriations to carry out that Federal law.

H.R. 1022

OFFERED BY: MR. COOLEY

AMENDMENT NO. 7: At the end of the bill (page 37, after line 13), add the following new title:

TITLE VII—REGULATORY PROHIBITION

SEC. 701. REGULATORY PROHIBITION.

A Federal agency may not take any regulatory action under a program designed to protect human health, safety, or the environment under any Federal law for which appropriations are not specifically and explicitly authorized for the fiscal year in which the action is taken.

H.R. 1022

OFFERED BY: MR. FIELDS OF LOUISIANA

AMENDMENT NO. 8: Page 27, line 4, after the period insert: ''Such analysis shall include consideration of the impacts on future generations.''.

H.R. 1022

OFFERED BY: MR. HAYES OF LOUISIANA

AMENDMENT NO. 9: Page 4, line 4, insert ''(a) EXCLUSIONS.—'' before ''This Act'' in the matter preceeding section 3(1).

Page 4, after line 18, insert the following new subsection (b) of section 3:

(b) SAVINGS PROVISION.—The provisions of this Act shall be supplemental to any other provisions of law relating to risk assessments, risk characterizations, or decision criteria for rulemaking, except that nothing in this Act shall be construed to modify any statutory standard or statutory requirement designed to protect health, safety, or the environment. Nothing in this Act shall be interpreted to preclude the consideration of any data or the calculation of any estimate to more fully describe or analyze risk to provide examples of scientific uncertainty or variability. Nothing in this Act shall be construed to require the disclosure of any trade secret or other confidential information.

Strike section 103(c) (page 12, line 18 through page 13, line 4).

Strike section 202(b)(1) (page 29, lines 18 through 23) and strike ''(2) SUBSTANTIAL EVIDENCE.—'' in section 202(b) (page 29, line 24).

H.R. 1022

OFFERED BY: MR. HAYES

AMENDMENT NO. 10: Strike clause (iii) of section 103(b)(2)(B) (page 8, lines 9 through 13) and redesignate clauses (iv), (v), and (vi) of such section as clauses (iii), (iv), and (v).

H.R. 1022

OFFERED BY: MR. ROEMER

AMENDMENT NO. 11: Strike section 401 (page 34, lines 2 through 19) and insert the following:

SEC. 401. JUDICIAL REVIEW.

Nothing in this Act creates any right to judicial or administrative review, nor creates any right or benefit, substantive or procedural, enforceable at law or equity by a party against the United States, its agencies or instrumentalities, its officers or employees, or any other person. If an agency action is subject to judicial or administrative review under any other provision of law, the adequacy of any certification or other document prepared pursuant to this Act, and any alleged failure to comply with this Act, may not be used as grounds for affecting or invalidating such agency action, but statements and information prepared pursuant to this title which are otherwise part of the record may be considered as part of the record for the judicial or administrative review conducted under such other provision of law.

Strike section 202(b)(2) (page 29, line 24 through page 30, line 6) relating to substantial evidence and strike ''(1) IN GENERAL.—'' in section 202(b) (page 29, line 18).

H.R. 1022

OFFERED BY: MR. SMITH OF MICHIGAN

AMENDMENT NO. 12: Page 5, after line 18, insert the following new section:

SEC. 5. AVAILABILITY OF INFORMATION AMONG FEDERAL AGENCIES

Covered Federal agencies shall make existing databases and information developed under this Act available to other Federal agencies, subject to applicable confidentiality requirements, for the purpose of meeting the requirements of this Act. Within 15 months after the date of enactment of this Act, the President shall issue guidelines for Federal agencies to comply with this section.

H.R. 1022

OFFERED BY: MR. TRAFICANT

AMENDMENT NO. 13: At the end of section 106 (page 18, line 25), add after the period the following:

For purposes of this section, the term ''non-United States-based entity'' means—

(1) an entity that is incorporated outside the United States and has its principal place of business outside the United States; or

(2) the United Nations or any of its divisions.

H.R. 1022

OFFERED BY: MR. VENTO

AMENDMENT NO. 14: Page 12, strike lines 3, 4 and 5.

United States of America

Congressional Record

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Vol. 141 WASHINGTON, MONDAY, FEBRUARY 27, 1995 No. 36

Senate

(Legislative day of Wednesday, February 22, 1995)

The Senate met at 12 noon, on the expiration of the recess, and was called to order by the President pro tempore [Mr. THURMOND].

PRAYER

The guest Chaplain, the Reverend Paul Lavin, of St. Joseph's Catholic Church, offered the following prayer:

In Psalm 72 we read:

O God, give your judgment to those who govern. That they may govern your people with justice, That the mountains may yield their bounty for the people, and the hills their great abundance. That they may defend the oppressed among the people, save the poor and crush the oppressor.

Let us pray:

Good and gracious God. You guide and govern everything with order and love.

Look upon the men and women of this U.S. Senate and fill them with Your wisdom.

May these Senators and those who work with them always act in accordance with Your will and may their decisions be for the peace and well-being of our Nation and of all the world. Amen.

RESERVATION OF LEADER TIME

The PRESIDENT pro tempore. Under the previous order, leadership time is reserved.

MORNING BUSINESS

The PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of morning business for not to extend beyond the hour of 12:30 p.m., with Senators permitted to speak therein for not to exceed 10 minutes each.

Mr. DORGAN addressed the Chair.

The PRESIDENT pro tempore. The Senator from North Dakota is recognized.

THE SCHOOL LUNCH PROGRAM

Mr. DORGAN. Mr. President, we are hearing a great deal these days about something called the Contract With America. It was constructed by the Republican Party prior to the 1994 election and was designed by them to be a road map or a political device by which they could tell the American people what they stand for and what they hoped to accomplish. Some of the contract makes good sense. Some of it continues and retains the same kinds of policies that we on the Democratic side of the aisle have been pushing for some years. But some parts of the contract make no sense at all.

I stand on the Senate floor today to talk about something that soon will come to the floor from the other body as a result of action they took last week. The House Economic and Educational Opportunities Committee passed a bill that repeals the School Lunch Act and replaces it with block grants to the States. It also eliminates the requirement that poor children get free school lunches. And, third, it eliminates Federal nutrition standards.

I say to my friends on other side of the aisle who constructed this that there is reason for us to differ on some things and that there is room to differ on many issues. We, for example, differ on the subject of whether this country should build star wars. Some say the Contract With America says, ''let us—despite the fact that the Soviet Union is gone, vanished, done—build star wars again. Let us spend tens of billions of dollars building a star wars program.''

They also say, ''let us cut taxes; in fact, let us cut taxes and give the majority of the benefits to the rich.'' It will reduce the revenue to the Federal Government by three-quarters of a trillion dollars in the next 10 years, if we do what the Contract With America wants us to do on revenues.

So there is room to disagree on these proposals. But there is much more room to disagree on another proposal at a time when some are saying, ''let us cut taxes, especially for wealthier Americans, and let us build star wars because we apparently have the money to do that.''

There is much more room for disagreement on the notion that we ought to decide at this time in our country's history to repeal the School Lunch Act and to eliminate the requirement that the poor children get free school lunches. I can recall—as I told my colleagues last week—sitting in a hearing one day and hearing a young boy named David Bright from New York City. His family had been down and out, down on their luck. They had no place to live, so they lived in a homeless shelter. He described for us the rats in the homeless shelter, the living conditions, and what it is like for a 9-year-old boy to be hungry in school. What he—this young boy—said to the Hunger Committee when he testified:

> No young boy like me should have to put his head down on his desk at school in the afternoon because it hurts to be hungry.

It was some years ago that young David told us that. But I have not forgotten what he said or how he said it. How many in this Chamber have ever hurt because they were hungry in the afternoon? Not very many, I might say, and probably none. But young children do, if they come from families that are disadvantaged. Young children do when they come from families with no parents. Young children do when they come from homes without money to buy breakfast or nutritious lunches.

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

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This country in its wisdom created national nutrition standards and created the School Hot Lunch Program. It also created another requirement that I am proud of. It is the requirement that says poor children in this country will get free school lunches.

There ought not be anyone in this Chamber and there ought not be anyone who disagrees with the basic assumption that it is our responsibility to give free school lunches to poor children. If we cannot, by looking into the eyes of children, understand the dimensions of a public policy that would withhold food from children who are hungry, what on Earth can we do that is constructive in this body?

I am hoping, when the product—that says in effect that we do not care about poor children and that there is no national requirement here—is sent to us by the House of Representatives under the Contract With America, that all of us have the willingness to stand here in the Senate and say, we disagree; poor children matter, America's kids matter.

Let me use a couple of quotes just to show you how those who push this Contract With America have changed. In 1982, the current Speaker of the House cosponsored a resolution written by then-Representative Carl D. Perkins that expressed the sense of the Congress ''that the Federal Government should retain primary responsibility for the child nutrition programs and such programs should not be included in any block grant.''

Well, here we are, turning 180 degrees, running the other direction, saying, Let us just eliminate the requirement. Let us roll it into a block grant. Roll it all together and ship it back to the States so you can have 50 different standards. Maybe one State would say it is not a standard that they care about. Maybe a dozen States would say they do not have the money to feed poor children. Does this country not care about that? I think that is not the case.

I think it would be a tragic mistake for us to decide in this body that what is really important in the Contract With America is to build star wars or to give tax cuts to the wealthiest among us, but it is not important to feed hungry children.

I know that when I go back to my office, I will get calls from someone watching C–SPAN saying that this is not what the contract says. But you had better believe this is what it says, and it is what the House of Representatives is trying to do. If you decide that we should eliminate the national requirement that poor children get free school lunches, then that is exactly what some mean to do.

At least from my standpoint, I hope my colleagues on both sides of the aisle will say that this makes no sense for this country. It ignores America's children and it retreats on a national standard that makes eminently good sense. Children matter. Hungry children must have access to free school lunches. It matters to all of us in this country to see that is done.

This is a fight and a discussion that I am anxious to have in the coming weeks when this bill comes to the Senate, because this proposal is something that we should change.

Mr. President, I yield the floor.

Mr. DASCHLE addressed the Chair.

The PRESIDING OFFICER (Mr. STEVENS). The minority leader is recognized.

CHILD NUTRITION

Mr. DASCHLE. Mr. President, let me commend the distinguished Senator from North Dakota for his eloquent remarks just now and identify with them. The Senator from North Dakota commented about the Contract With America and its ramifications on school children.

What I think some of our colleagues forget is that we have had a contract in this country for a long time with our school children. At the heart of that contract is an understanding about the important role that nutrition plays in educating children today.

Our contract with school children grew out of our experience in World War II, when large numbers of young men were unable to serve in the military because of nutrition-related childhood illnesses.

At the same time, many children were coming to school malnourished, and because of that, they were unable to learn; and because they were unable to learn, they were unable to become productive citizens.

So even back in the 1940's, Americans recognized the direct relationship between nutrition and healthy development and learning. We also recognized that what happens in the lunchroom affects what happens in the classroom.

In 1946 President Truman signed the National School Lunch Act—not as a matter of charity but as a matter of national security.

What an cruel irony it would be, Mr. President, if in order to prevent our children from inheriting a huge debt tomorrow, we would take away their meals today.

Yet that is exactly what some of our colleagues would now have us do.

We cannot allow that to happen. Either way, whether we saddle our children with debt tomorrow or rob them of their lunch today, we are jeopardizing their future, and that is wrong.

Let us learn from history. The strength of our Nation is not measured only by armaments. It is also measured by the health and education of our children.

Talk to the teachers who teach our children. Talk to the men and women who run the school cafeterias and make their lunches. Talk to the parents who depend on those lunches to make sure their children are adequately nourished. They will tell you.

The reality is that a lot of kids, even today, come to school hungry. The reality is that many of them don't get enough to eat at home and, if it weren't for the School Lunch Program, they would be too malnourished to learn.

So, Mr. President, this goes beyond simply a matter of nutrition. If we deprive children of a balanced meal, we risk depriving them of their ability to learn and become productive citizens.

What a terrible mistake it would be if, in our attempts to reduce the national debt, we increased our nutritional debt to our children. What a terrible mistake it would be if, in attempting to brighten our future, we forgot our past.

We understood in Harry Truman's time the critical role nutrition plays in children's physical and intellectual development. For nearly 50 years, we have acknowledged the direct link between nutrition and education, and between education and the ability to be productive citizens.

When Americans think about cutting government and redtape, taking food out of the mouths of children is not what they have in mind.

This is a provision of the Contract With America, Mr. President, that I hope will be short-lived. It denigrates the commitment we have made to children, to their education and to their future.

As the distinguished Senator from North Dakota has indicated, I hope that we will recognize the fallacies of this shortsighted proposal and retain in this Congress and in Congresses to come a genuine commitment to America's children and their well-being.

With that, I yield the floor.

Mr. COATS addressed the Chair.

The PRESIDING OFFICER. The Senator from Indiana.

THE BALANCED BUDGET AMENDMENT

Mr. COATS. Mr. President, we are approaching perhaps one of the most historic moments in the history of the Congress, when tomorrow this Senate will vote on the balanced budget amendment. We have not had an opportunity to pass a balanced budget amendment of this magnitude since my tenure in the Congress, and I doubt this century. We are very, very close—perhaps only one vote away. I think it is important for the Senate to understand, and for Senators to consider, just how critical it is that we bring to a final resolution this now 4-week-long debate on the necessity of a balanced budget.

I went back and grabbed a copy of the General Accounting Office report to the Congress, written in 1992, to review what their conclusions in a study entitled ''Prompt Action Necessary to Avert Long-Term Damage to the Economy.''

I will just cite a couple of items from their conclusion. They said, ''Failure

to reverse the trends and fiscal policy,'' current fiscal policy, ''and the composition of Federal spending will doom future generations to a stagnating standard of living, will damage the United States competitiveness and influence in the world and hamper our ability to address pressing national needs.''

In 1992, the General Accounting Office warned the Congress, as it has repeatedly—and as many others have warned—that failure to reverse the current trends in how we spend money and the composition of that spending will doom future generations. It will doom future generations. They go on to say, ''If not nothing is done to reverse current trends, deficits will explode over the longer term.''

Finally, they conclude, ''The economic and political reality is that the Nation cannot continue on the current path.''

The discussion over the past 4 weeks in this Senate Chamber has been on whether or not we continue on the current path, or whether we put in place a device which will cause us to change direction, which will fundamentally alter the way in which this Congress addresses the spending of taxpayers' dollars, through a constitutional mandate, constitutional direction to balance the Federal budget. That is the question that is before us.

We have heard speeches and we have had many, many amendments saying we need to exempt certain programs from the balanced budget amendment. Primarily, the emphasis, as we have just heard, is: let us not follow the mandates of the contract because it will doom our children. It will adversely impact those children. We have had a number of amendments saying let us exempt programs for children from the effect of the balanced budget amendment. But it seems to me that if we are really, truly interested in our children, we will face up to the responsibility that is ours to address this deficit and this national debt—a debt which has run beyond our control and, as the General Accounting Office reports, ''will doom future generations of these children.''

The contract was put before the American people, and it outlined a new direction for this Congress and a new direction for this Nation that was overwhelmingly endorsed in the last election. We are going forward in an attempt to take a look at the Federal programs as they currently exist, including those that address children, and ask ourselves the fundamental questions: Is this the best expenditure of taxpayers dollars? Can we maximize that expenditure with fewer dollars? Is this the most efficient way of getting support to the very children that our colleagues were talking about here this morning? When we delve into the record, we find that it is not efficient. There is duplication and overlap, waste and mismanagement, and administrative costs that deny benefits to the very people that we are trying to help. Many of these programs were well-intended when they were started.

But because the Congress failed to adequately oversee the implementation of these programs, and because we have been in literally a feeding frenzy over the past couple of decades of adding more and more programs, we end up with an inefficiency in Government that is staggering. This Government spending is driving our deficit and driving our national debt to the point where we will have very little, if anything, to offer to those children in the future.

The Labor and Human Resources Committee on which I serve looked at job training and found that there were 163 separate Federal job training programs. Is job training a worthy goal? Of course, it is. Can it be done more efficiently? I think we instinctively understand that if there are 163 programs administered by 14 agencies of the Federal Government that perhaps we can consolidate those and run those programs more efficiently.

In child care, a component of the children's programs, there are 93 separate programs of child care administered by 11 different Federal agencies, disbursing $11.5 billion a year in targeted programs. Many of those programs overlap. In fact, a child in poverty could theoretically qualify for 13 separate child care programs, all providing the same benefit.

So the charge to this Congress is: Can you do it better? Can you do it more efficiently? Can you do it more effectively? And time after time, year after year, Congress has failed in that responsibility.

We are here seeking a balanced budget amendment to the Constitution because Congress has failed in its responsibility to provide efficient, effective management of the programs that it enacts. It has failed to correctly oversee the spending of taxpayers' dollars to the point where, in just the last 14 years, we have driven the national debt from less than $1 to $4.8 trillion.

We are saddling future generations with enormous debt. Each new child born in America bears a cost of nearly $20,000 which will have to be repaid. We are approaching an interest payment alone that exceeds virtually every other category of discretionary domestic spending for the Government. Interest does not go to children's lunches. It does not to go child care. It does not go to road investment. It does not go to community policing. It does not go to fight crime. It does not go to fight drugs and all the other numbers of programs the Federal Government has been involved in. It simply goes to pay interest, simply interest on the debt. And that interest is going to explode in the future.

If we really care about our children, we will look at where we are today and say: ''We must change course. We must do something differently than what we have done before.''

We have had all kinds of so-called congressional solutions, legislative solutions, to deal with this deficit. And while we are touting the promise of the latest proposal by the Congress to deal with the deficit, the deficit keeps mounting at a staggering rate.

The National Taxpayers Union has estimated that for a child born today, by the time that child is 18 years old, he or she will have accumulated $103,000 in extra taxes over his or her lifetime because of the debt. Today's debt burden is over 10 times more than the debt today's adults inherited from their parents. Let me repeat that. The debt that I inherited from my parents is one-tenth of what my children will inherit from me.

The National Taxpayers Union goes on to say:

> Our children and grandchildren will pay. In many ways—not just in extra taxes. But in higher interest rates. Less affordable homes. Fewer jobs. Lower wages. Decaying infrastructure. Meager retirement incomes. A debt-burdened Government unable to afford programs and benefits Americans now take for granted.

The very programs that our colleagues were talking about—the School Lunch Programs, the Child Care Programs that go to benefit children and which we now take for granted—will become completely unaffordable by an increasing debt-burdened Government.

Thomas Jefferson left us with words of wisdom that we have not followed, and that we need to ponder as we come to a decision about how we are going to vote on this balanced budget amendment. He said:

> The question of whether one generation has the right to bind another by the deficit it imposes is a question of such consequence as to place it among the fundamental principles of Government. We should consider ourselves unauthorized to saddle posterity with our debts, and be morally bound to pay for them ourselves.

We are entrusted with a unique privilege and responsibility as Members of the U.S. Senate. We should heed the words of Jefferson that say we should be morally bound to pay our own debts.

What right do we have to enjoy a standard of living now and simply dump the payment for that standard of living on to our children and our grandchildren? What right do we have to do that? It is immoral to do that. We should, as Jefferson said, be morally bound to pay for what we spend. And we have not done that. We have not done that in small margins, we have not done that in massive margins.

We have expanded our national debt from less than $1 trillion in 1980 to nearly $5 trillion in 1994. We have quintupled it in 15 years. We have quintupled the debt that took 200 years to accumulate prior to that.

And so, as Members contemplate their vote, I hope they would see the extraordinary implications of this vote. If the balanced budget amendment fails, I fear we will not have another opportunity to address the primary and fundamental issue facing this

Nation. If it passes, we will begin a process of doing what we were elected to do in the first place—of determining priorities, of establishing ways in which the taxpayers' dollar can be spent in effective, efficient ways. We will have to go into every program, every program of Government, to ask ourselves the fundamental question: Is this the best way we can spend this money? Is this the highest priority for this money? Is there a more efficient way to do it? It is a question, as Jefferson said, of such consequence to place it among the fundamental principles of Government.

It is wrong. It is wrong for us to continue this course.

We have a choice before us tomorrow evening that will fundamentally alter the way we do business. We have proven our incapacity to be careful stewards of the Nation's debt, careful stewards of the Nation's earnings, careful stewards of the future of this country for our children's sakes, for our grandchildren's sakes, for future generations' sakes.

Let us do what we all know we need to do—save us from ourselves. Give us a tool which will allow us to balance that budget and once and for all end this practice of saddling posterity with our debts.

Mr. President, I yield the floor

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. LEAHY. 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. LEAHY. Mr. President, I ask unanimous consent that I be allowed to continue as though in morning business.

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

Mr. BYRD. Mr. President, will the Senator yield briefly for an inquiry?

Mr. LEAHY. Mr. President, I yield.

Mr. BYRD. Am I still to be recognized for 1 hour as under the previous order?

The PRESIDING OFFICER. The Senator from West Virginia is correct, that would be the order. The Chair has just recognized the Senator from Vermont for an extension of morning business.

Mr. BYRD. That would not interfere with my hour?

The PRESIDING OFFICER. There will be no interference.

Mr. BYRD. I thank the Chair. I thank the Senator from Vermont.

Mr. LEAHY. Mr. President, I assure the Senator from West Virginia that I will not be long. I had not realized that he had that order.

CHILD NUTRITION CONCERNS

Mr. LEAHY. Mr. President, I was concerned over the weekend as I read some of the items on both the balanced budget amendment and the pending resolution, House Joint Resolution 1.

I was in a debate over the weekend on this balanced budget amendment on television and other areas. I have been asked questions about some of the issues involving child nutrition.

Now, the area of child nutrition, Mr. President—I may or may not have expertise in some areas in this body—I do believe I have an expertise in that area. As both chairman and as ranking member of the Senate Agriculture Committee, and before that as a member, I have had a primary responsibility handling our child nutrition programs. I have done this in Republican administrations and Democratic administrations. I have done it with both Republican and Democratic cosponsors.

In fact, I might say that since the Truman administration, both Republicans and Democrats have strongly backed the School Lunch Program. The distinguished occupant of the chair may recall when this program began. It began right after World War II. President Truman realized that thousands of military recruits were turned down, even at a time of war, because of malnutrition and nutrition-related medical problems.

Now, I am afraid, Mr. President, the House Republicans want to end this 50-year tradition. They want to repeal the School Lunch Act. Actually, I believe they want to do that as part of this overall Contract With America, which includes the balanced budget amendment and others.

In fact, in committees last week, the Republican majority in the House repealed free lunches for school children who cannot afford a meal ticket. They turned their back on the program supported by Republican and Democratic Presidents since the time of Harry Truman. They eliminated national nutrition standards for healthy school lunches. Now, that will not make parents of grade school children very happy, but it will make a fortune for soft drink bottlers and their PAC's and their lobbyists.

Now, Republicans also have taken steps to cut thousands of children off child care food programs. They are dismantling the WIC Program. Millions of pregnant women, infants and children could be thrown off the WIC Program. In fact, it is the height of hypocrisy when they speak of having the Contract With America and the American family when they move to cut the Women, Infants and Children Program, something that feeds pregnant women and feeds their children when they are first born.

Not only that, I would say to my colleagues; they removed the so-called Leahy amendment which required competition among infant formula makers. This competition saved the American taxpayers $975 million a year and allowed more children, more infants, and more pregnant women to go on this program. They eliminated that.

What does it do? It tells the American taxpayers that that $975 million, instead of feeding poor hungry children, will go to four major drug companies. It is welfare for the wealthiest. It is denying food to the neediest. It is hypocrisy at its worst, and it is a giveaway to major political contributors in the most obvious sense.

These people have reduced dramatically the chance of low-income families to get off welfare. Their cuts in day care funding may mean that thousands of day care homes go out of business. They know the children are not old enough to vote, so what they have done is target the School Lunch Program, the School Breakfast Program, the child care programs, and WIC. They put back in Meals on Wheels because they suddenly realized that went to older Americans who do vote and may contribute. So they put that back in, but they cut out the children who do not vote.

The fine print in the Contract With America is really a contract against children. It is a contract against mothers and fathers. I believe it must be stopped. The contract is antichild, antifamily, and false advertising.

I believe, Mr. President, that we ought to look at what they have done. They say they will pass this out in block grants. Of course, they do not put out money for the block grants, and if they do, we know what will be the first thing to be cut. In fact, I must say that one of the best arguments against block granting child nutrition programs have come from Speaker GINGRICH and Congressman WILLIAM GOODLING, but, in the past, not when they are here with this unholy contract.

Speaker GINGRICH has done a complete about-face on these issues. He cosponsored a resolution in 1982 stating that the ''Federal Government should retain primary responsibility for the child nutrition programs and such programs should not be included in any block grant.''

The reasons child nutrition programs should not be included in block grants is best stated by Congressman WILLIAM GOODLING, who is now chairman of the House committee. He said that ''a child's basic nutrition needs should not vary from State to State,'' and yet we now find that what was true then apparently is not true today when you have a Contract With America to fulfill, no matter how hypocritical it is, no matter how many giveaways to huge campaign contributors and wealthy interests there are.

Mr. President, I feel, as does the distinguished senior Senator from West Virginia, that I have one contract with America, and like him, I carry that with me. It is the Constitution of the United States—the Constitution of the United States. This is so good, we have only had to amend it 17 times since the

Bill of Rights. It has been the framework of the most powerful democracy known to history. It has been the framework of a democracy that, if it keeps to its basic tenets, can last for hundreds and hundreds and hundreds of years.

I do not like the Republican Contract With America. I think it would result in the largest transfer of benefits and entitlements from working-class families and the middle class to the rich of this country. I have seen reports that households with incomes over $200,000 would receive an average annual tax entitlement of more than $11,500 by the year 2002, and working-class America will lose. I will fight those changes in the Senate.

Since the Truman administration, Republicans and Democrats have strongly backed the School Lunch Program. The Lunch Program began because thousands of military recruits were turned down in World War II because of malnutrition and nutrition-related medical problems.

Now House Republicans want to end this 50-year tradition and repeal the School Lunch Act. The Republicans keep changing their minds on who they should pick on next—infants, toddlers, pregnant women, or school children?

In committee last week, the Republican majority repealed free lunches for school children who cannot afford a meal ticket.

They eliminated national nutrition standards for healthy school lunches. That will not make parents of grade school children very happy, but it will make a fortune for the soft drink bottlers.

House Republicans also have taken steps to cut thousands of toddlers off child care food programs, and they are dismantling the WIC Program. Millions of pregnant women, infants and children could be thrown off the WIC Program.

House Republicans have reduced dramatically the chance that low-income families can get off welfare—their cuts in day care funding may mean that thousands of day care homes go out of business.

This makes no sense whatsoever.

But, the Republicans know that children are not old enough to vote so they have targeted the School Lunch Program, the School Breakfast Program, child care programs, and WIC.

The fine print in the Contract With America is really a contract against children, and a contract against mothers and fathers. This assault on America's families must be stopped.

The contract is antichild, antifamily, and false advertising. It promises limited block grants, but delivers big cuts.

The contract is antitaxpayer as well. The House Republicans on the committee voted down last week a provision that would save taxpayers $1 billion a year.

The WIC Program is required to buy infant formula under competitive bidding under a provision I was able to get passed in 1989. That provision puts an additional 1.5 million pregnant women, infants, and children on WIC at no extra cost to taxpayers—it does this by saving $1 billion.

Who wins under this Republican scheme? Four giant drug companies that make infant formula. Who loses? Taxpayers, and 1.5 million pregnant women, infants, and children.

At the same time House Republicans are throwing hundreds of millions of dollars at these corporate giants, they are proposing to cut free lunches to children who cannot afford the cost of a lunch.

The best arguments against block granting child nutrition programs have come from NEWT GINGRICH and Congressman WILLIAM GOODLING.

NEWT GINGRICH has done a complete about-face on these issues. He cosponsored a resolution in 1982 stating that the ''Federal government should retain primary responsibility for the child nutrition programs and such programs should not be included in any block grant.'' [H. Con. Res. 384, which passed on September 29, 1982.]

The reasons that child nutrition programs should not be included in block grants was best stated by Congressman WILLIAM GOODLING who is now chairman of the House committee that just approved the block grants of child nutrition programs. He said that ''a child's basic nutrition needs do not vary from State to State.'' [Cong. Rec., July 23, 1982, p. 17865.]

The report explaining that resolution, which was sponsored by NEWT GINGRICH, said that if you have ''50 distinct State programs, there is no guarantee that the needy child whose family income has fallen below the poverty line would be entitled to participation in a free-lunch program.''

The report concluded that Federal child nutrition programs ''should not be turned back to the states or diluted through a block grant at reduced funding.'' [Page 4, Hse. Rpt. 97–870, Sept. 24, 1982.]

The report explains that block grants do not increase to address recessions, and thus they throw children off the program just when the lunch program is most needed.

That was true then. It is still true today.

Why has NEWT GINGRICH changed his mind? To understand why you have to look at the whole contract.

The Republican Contract With America and the balanced budget amendment—taken together—would likely result in the largest transfer of benefits and entitlements from working-class families and the middle class to the rich in the history of this country. I have seen reports that households with incomes over $200,000 a year would receive an average annual tax entitlement of more than $11,500 by the year 2002. And the working class will lose.

I will fight these changes in the Senate.

I yield the floor.

WAS CONGRESS IRRESPONSIBLE? THE VOTERS HAVE SAID YES

Mr. HELMS. Mr. President, before contemplating today's bad news about the Federal debt, let's conduct that little pop quiz again: How many million dollars are in $1 trillion? When you arrive at an answer, bear in mind that it was the Congress of the United States that ran up a debt now exceeding $4.8 trillion.

To be exact, as of the close of business Friday, February 24, the Federal debt—down to the penny—stood at $4,838,340,257,340.71—meaning that every man, woman, and child in America now owes $18,366.42 computed on a per capita basis.

Mr. President, again to answer our pop quiz question—how many million in a trillion?—there are one million million in a trillion; and you can thank the U.S. Congress for the existing Federal debt exceeding $4.8 trillion.

REMARKS OF COMMISSIONER GEORGE W. HALEY

Mr. DOLE. Mr. President, I would like to share with my colleagues the remarks of Commissioner George W. Haley, who was recently invited to speak at Dyess Air Force Base in Abilene, TX, in observance of Black History Month.

In his remarks, Commissioner Haley reminds us that the American experiment is indeed working today, despite all the divisions that beset our great Nation. Commissioner Haley's message is one of hope and optimism for the future. He understands that America is not perfect, but that injustice and imperfection should inspire us to work harder to ensure that the American dream can become a reality for all Americans.

Commissioner Haley comes from a military family. During World War I, his father was wounded in the Argonne Forest. His brother Alex spent 20 years in the U.S. Coast Guard. His brother Julius is a Korean war veteran. And Commissioner Haley himself served his country as a member of the U.S. Army Air Corps during World War II.

We are proud of the Haley family, and we thank them for the important contributions they have made to our country.

Mr. President, I ask unanimous consent that Commissioner Haley's remarks be reprinted in the RECORD.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

REMARKS BY HON. GEORGE W. HALEY, POSTAL RATE COMMISSIONER, IN OBSERVANCE OF BLACK HISTORY MONTH

Martin Luther King, Jr., liked to tell a story about a minister who was very emotional and dramatic in his presentations. After one of his fiery Sunday morning sermons, a member of his congregation was commenting to one of his friends that afternoon on what a good sermon the minister had preached. His friend asked: ''What did he say?'' The parishioner replied: ''I don't know, but he sure was good!''

My friends, it is my intention that my address this evening will be both good and thought provoking.

I consider it a great privilege to be invited to speak at this banquet this evening. Before I move on, let me pause for just a moment. General Henderson, I thank you and your staff very much for making this occasion and opportunity possible, and I am glad to be with you tonight.

Two prize members of your military family here, Major James Durant and his wife, Karen, are also members of my family. Major Durant, whom we affectionately call Jimmy, and his wife are both a credit to the military and to our Nation—our family is exceedingly proud of them.

On May 12, 1946, I was honorably discharged from your predecessor service, the United States Army Air Corps. I had been drafted three years earlier, just two months after my 18th birthday, to serve in the Second World War.

Being in the service was a rich experience for me. I had come from a rather sheltered environment, and I learned many valuable lessons about life as a young adult in the military. During my entire military career, the United States Army Air Corps, and all of the military forces of the United States, were totally segregated. Squadron F was the segregated squadron to which all African Americans, then called colored Americans, were assigned. Calling an African American ''Black'' at that time—well, those were fighting words. But the meaning of some words changes with time. For instance, then, the word mouse had no computer connotations. When we thought about a mouse, the only mouse we ever hoped to catch was in a trap and not a mouse driving a computer. Mr. Justice Holmes describes changes in meanings and interpretations of words most eloquently in a case before the U.S. Supreme Court in 1918, in which he says:

''A word is not a crystal, transparent and unchanged. It is the skin of a living thought, and may vary in circumstances according to the time and place in which it is used.''

Everything was not dismal when I was a young man in the military. We were hardy, healthy, young men. We were proud of our country—aware of its inequalities, but willing and ready to defend it against its enemies and those who would threaten it. Our squadron sang the words, ''Off we go into the wild blue yonder, climbing high into the sky * * *,'' with much patriotism—and with gusto and pride.

My father served in the Army. He was wounded in the Argonne forest in France during World War I. My brother, Alex, spent 20 years in the United States Coast Guard, including the World War II years. Julius, my younger brother, served in the Korean conflict. Dad was proud that he and his three sons were all veterans and had served this Nation. He lost no opportunity to tell you about himself and his children. During his later years, Dad was a very active veterans serving for some years as Commander of the American Legion post in Pine Bluff, Arkansas, and in many other capacities until his death at age 83.

I have been privileged to travel in all parts of the world, and there is absolutely no place I'd rather claim as a citizen—including the Republic of South Africa, under the magnificent leadership of Nelson Mandela—than the United States of America. But in spite of the sentiments of Oscar Hammerstein's famous song, ''Summertime, and the Livin' is Easy,'' which, as you know, is from the beloved American classic, George Gershwin's opera, ''Porgy and Bess,'' the lives of African Americans have never been easy.

As I grow older, I feel more the urge to express my thoughts and to articulate some of the challenges which I believe confront young Americans—and more specifically, young African Americans. I want to share with you, as we consider your African-American heritage celebration this year, my interpretation and reaction to the incredible story of African Americans since we were brought to this country early in the 17th century. But I also want to stress how all of us can be proactive and accept the opportunities, challenges, and responsibilities to make this Nation and the world a better, safer, more humane place for the great experiment our Nation represents to continue.

It has been said that history is important only as it relates to the present and the future. From the evils of slavery came the Dred Scott case. The Dred Scott case was decided by the United States Supreme Court in 1856. It still amazes me when I read portions of it. The Nation's highest court found that a slave was not a person—that a slave was simply personal property—and could be sold like a pig or cow or mule.

Just a bit more than a decade after this case the era in our Nation's history which is the theme of your celebration here this year. Specifically, we are reflecting on the lives and philosophies of three Americans: Frederick Douglass, WEB DuBois, and Booker T. Washington. The influence of these three men continues to be felt, not only on the domestic front, but increasingly on the international scene as well.

There is no statement by Frederick Douglass that is more compelling and meaningful than when he states:

''We Negroes are here, and here we are likely to be. To imagine that we shall ever be eradicated is absurd and ridiculous. We can be remodified, changed and assimilated, but never extinguished. We repeat, therefore, that we are here; and that this is our country. We shall neither die out, nor be driven out, but shall go forth with this people, either as a testimony against them, or as an evidence in their favor throughout their generations.''

Booker T. Washington advocated a doctrine which suggested that Blacks and whites could both prosper, but live in separate communities. This doctrine was calculated to appeal to whites. DuBois was more the carrier of Douglass's tradition towards an integrationist position. We can conclude from the debates between DuBois and Washington that in the making of history no individual has all of the answers—only God has all the answers. Life for all of us—Black and white; Asian, Native American, and Hispanic—is a compromise. We influence each other—as individuals, within the races, within the Nation.

Benjamin Elijah Mays, an eminent theologian, philosopher, educator—and for many years the President of Morehouse College from which I graduated—used to tell us when I was a student there:

''Train your minds while you are young. For the man who out-thinks you, rules you.''

One of Dr. Mays' many other sources of inspiration were the writings of the Apostle Paul, from the Christian tradition. Specifically, he enjoyed Paul's letter to the church at Rome. In that epistle, Paul wrote:

''Do not be conformed to this age, but be transformed by the renewal of your mind.''

And what can we say about this age? Our society and our communities in many areas of this Nation have become frightening. We don't need to cite isolated events; they abound all over the Nation—in big cities as well as small towns. Soaring homicide rates for young African-American men in center cities now commonly referred to as ''war zones.'' There are more Blacks in prison than in college. Displays of profanity and sexuality abound, masquerading as free speech and ''the language of the people.'' The society in which we presently live would have given my grandmother apoplexy. I know that most of you are deeply troubled—as am I—by this chaotic state of affairs. We are reminded today, more than ever, that the mind is a terrible thing to waste. Is it not time for us to transform the entire political process by the renewal of our minds?

Don't be afraid to think and to act! And don't be afraid to change. The art of politics is power, and the ability to use it wisely.

In Shakespeare's ''King Lear,'' one of the characters describes a politician as having few or no principles—a man who speaks without redeeming purpose while practicing his ''oily art.'' I certainly would not consider all who are politicians to be practitioners of the ''oily art''—the political process can be used for good or for bad, liberation or oppression. I urge you to use it well!

Many of you have brilliant minds. Use them. The economic and political world in our democracy is based on power and the wise use of political and business acumen—not race.

You must use your minds, because:

While you are here in the military, you have great opportunities for further preparedness.

Some of you will move on from military service into civilian life, still at very young and productive ages.

You need to prepare for further contributions.

Our country and the world need you.

You can continue your educations here. Many American colleges and universities have excellent correspondence programs for advancing your formal training.

You can hone your skills—become more proficient—not just getting-by or getting-over.

You must strive for excellence in whatever your responsibilities are.

You should be satisfied only after you have given your best and done your best.

We know that African Americans play with a stacked deck in America. Things are not always equal. Opportunities can appear and, just as suddenly, disappear. Such is the nature of the world in which we live. You cannot always control situations, but you can control your response. When slapped down, get up. When up, don't forget—help someone else. As you grow in strength, so does the Nation.

There is much discussion about affirmative action in the Nation today. General Colin Powell recently stated:

''Nowhere in corporate America can it be said, as it can be said in the military, that a person is judged by his merit and his character and can supervise and command troops everyday at every level from corporal to general.''

You, here in the military, are very much aware of the opportunities that affirmative action can bring about, but the discussion is also divisive and unsettling in many quarters. There is grave need to encourage and stimulate as much of the citizen ability as possible for the good of the entire Nation.

Affirmative action was initially designed to help make a level playing field for a race crippled socially, culturally, and economically from generations of unequal treatment. It was certainly never designed to take away any opportunities from white Americans by giving preference to underserving minorities. Rather it was designed to enable African Americans—and, subsequently, other minorities and women—to compete in education and industry for the betterment of the entire Nation. When I was growing up in the South, public schools for whites received the new text books and new science and laboratory

equipment, while the Black schools invariably inherited the used books and old equipment.

It is not questioned that there have been some abuses along the way of what the basic intentions of affirmative action are. Admittedly, some of its policies and remedies need reexamination. It cannot be challenged, however, that America is a better, stronger country when all of its citizens are able to compete and contribute. And this is the purpose of affirmative action!

Never let anybody convince you that you are inferior—the Bell Curve and anybody else's curve notwithstanding! Many whites are conditioned to think they are superior to African Americans and some African Americans are conditioned to think they are inferior. This is a most unfortunate myth. If intellect, survival, and progress of this Nation were based solely on skin color, this Nation would not be nearly so strong and vibrant.

Don't deal with these misconceptions in a hostile manner, even with those who seek to use African Americans as scapegoats. Most African Americans, male and female, cringed with fear as the Nation sought the head of a nonexistent Black male so vividly described by the distraught Susan Smith of Union, South Carolina, when, in fact, she, herself, had driven her two little boys down a ramp to their deaths in a lake. That was the same sort of apprehension when Charles Stuart of Boston, Massachusetts, said his wife was murdered by a Black man and he, himself, had done it.

Much of the madness which has developed in inner cities is, in fact, caused by a deep frustration of racial overtones in this Nation. We as a Nation simply must recognize it, and continue to seek solutions to solve our problems, not letting this madness consume us. This is a national problem, and white suburbia dare not keep its doors locked as if it didn't exist.

Even against these odds, African Americans have made untold contributions. Across America and throughout its history—whether in arts, literature, sports, science, politics, business, military—we have seen heroes. From Crispus Attucks to Colin Powell, we have witnessed incredible African-American contributions. African Americans have—indeed—assimilated into the American culture and strongly influenced many of its institutions. There is absolutely no end of contributors: Michael Jackson, Oprah Winfrey, Ed Brooke, Douglas Wilder, Marian Anderson, Benjamin O. Davis, Mary McLeod Bethune, Malcolm X, Jesse Jackson, Maya Angelou, Jackie Robinson, Joe Louis, Andrew Young, Roland Hayes, Sojourner Truth, and many, many others.

But do you know what? While it is easy to find fault, and while shortcomings abound, what Alexis de Tocqueville long ago called America's experiment in government is working! In so many situations, people from many ethnic backgrounds work together for a common purpose. Just as I have seen divisions based on color in my lifetime, so have I seen rich and rewarding diversity at work. And I think you also have seen what I am talking about. As a Nation, we can do better—we must do better, but maybe—just maybe—we are getting better.

My final question for you is: Where do you fit into this great American experiment—into this American dream? Have you ever seriously thought about it? You are unique. There is absolutely nobody else in all the world like you. No other person can offer the world what you can!

I leave you with the challenge as we reflect on this Black history observance this year. What will you do to keep this country strong and safe—this country we all are proud to call home?

I thank you!

CHERISHING THE IRISH DIASPORA—PRESIDENT MARY ROBINSON'S ADDRESS TO THE IRISH PARLIAMENT

Mr. KENNEDY. Mr. President, 1995 marks the beginning of the 150th anniversary of the Great Irish Famine. Many of the 70 million men, women, and children of Irish descent around the world today, including 44 million Irish-Americans, are part of the Irish diaspora which the famine caused.

Earlier this month, President Mary Robinson of Ireland addressed both Houses of the Irish Parliament on the famine and on the larger subject of the Irish diaspora and the modern meaning of ''Irishness'' for peoples and communities everywhere. I believe that President Robinson's eloquent address will be of interest to all of us in Congress and I ask unanimous consent that it may be printed in the RECORD.

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

CHERISHING THE IRISH DIASPORA—ADDRESS TO THE HOUSES OF THE OIREACHTAS

(By President Mary Robinson)

Four years ago I promised to dedicate my abilities to the service and welfare of the people of Ireland. Even then I was acutely aware of how broad that term ''the people of Ireland'' is and how it resisted any fixed or narrow definition. One of my purposes here today is to suggest that, far from seeking to categorize or define it, we widen it still further to make it as broad and inclusive as possible.

At my inauguration I spoke of the seventy million people worldwide who can claim Irish descent. I also committed my Presidency to cherishing them—even though at the time I was thinking of doing so in a purely symbolic way. Nevertheless the simple emblem of a light in the window, for me, and I hope for them, signifies the inextinguishable nature of our love and remembrance on this island for those who leave it behind.

But in the intervening four years something has occurred in my life which I share with many deputies and senators here and with most Irish families. In that time I have put faces and names to many of those individuals.

In places as far apart as Calcutta and Toronto, on a number of visits to Britain and the United States, in cities in Tanzania and Hungary and Australia, I have met young people from throughout the island of Ireland who felt they had no choice but to emigrate. I have also met men and women who may never have seen this island but whose identity with it is part of their own self-definition. Last summer, in the city of Cracow, I was greeted in Irish by a Polish student, a member of the Polish-Irish Society. In Zimbabwe I learned that the Mashonaland Irish Association had recently celebrated its centenary. In each country I visited I have met Irish communities, often in far-flung places, and listened to stories of men and women whose pride and affection for Ireland have neither deserted them nor deterred them from dedicating their loyalty and energies to other countries and cultures. None are a greater source of pride than the missionaries and aid workers who bring such dedication, humour and practical common sense to often very demanding work. Through this office, I have been a witness to the stories these people and places have to tell.

The more I know of these stories the more it seems to me an added richness of our heritage that Irishness is not simply territorial. In fact Irishness as a concept seems to me at its strongest when it reaches out to everyone on this island and shows itself capable of honouring and listening to those whose sense of identity, and whose cultural values, may be more British than Irish. It can be strengthened again if we turn with open minds and hearts to the array of people outside Ireland for whom this island is a place of origin. After all, emigration is not just a chronicle of sorrow and regret. It is also a powerful story of contribution and adaptation. In fact, I have become more convinced each year that this great narrative of dispossession and belonging, which so often had its origins in sorrow and leave-taking, has become—with a certain amount of historic irony—one of the treasures of our society. If that is so then our relation with the diaspora beyond our shores is one which can instruct our society in the values of diversity, tolerance, and fair-mindedness.

To speak of our society in these terms is itself a reference in shorthand to the vast distances we have traveled as a people. This island has been inhabited for more than five thousand years. It has been shaped by pre-Celtic wanderers, by Celts, Vikings, Normans, Hugenots, Scottish and English settlers. Whatever the rights or wrongs of history, all those people marked this island: down to the small detail of the distinctive ship-building of the Vikings, the linen-making of the Hugenots, the words of Planter balladeers. How could we remove any one of these things from what we call our Irishness? Far from wanting to do so, we need to recover them so as to deepen our understanding.

Nobody knows this more than the local communities throughout the island of Ireland who are retrieving the history of their own areas. Through the rediscovery of that local history, young people are being drawn into their past in ways that help their future. These projects not only generate employment; they also regenerate our sense of who we were. I think of projects like the Ceide Fields in Mayo, where the intriguing agricultural structures of settlers from thousands of years ago are being explored through scholarship and field work. Or Castletown House in Kildare where the grace of our Anglo-Irish architectural heritage is being restored with scrupulous respect for detail. The important excavations at Navan fort in Armagh are providing us with vital information about early settlers whose proved existence illuminates both legend and history. In Ballance House in Antrim the Ulster-New Zealand Society have restored the birthplace of John Ballance, who became Prime Minister of New Zealand and led that country to be the first in the world to give the vote to women.

Varied as these projects may seem to be, the reports they bring us are consistently challenging in that they may not suite any one version of ourselves. I for one welcome that challenge. Indeed, when we consider the Irish migrations of the 17th, 18th, 19th and 20th centuries our pre-conceptions are challenged again. There is a growing literature which details the fortunes of the Irish in Europe and later in Canada, America, Australia, Argentina. These important studies of migration have the power to surprise us. They also demand from us honesty and self-awareness in return. If we expect that the mirror held up to us by Irish communities abroad will show us a single familiar identity, or a pure strain of Irishness, we will be

disappointed. We will overlook the fascinating diversity of culture and choice which looks back at us. Above all we will miss the chance to have that dialogue with our own diversity which this reflection offers us.

This year we begin to commemorate the Irish famine which started 150 years ago. All parts of this island—north and south, east and west—will see their losses noted and remembered, both locally and internationally. This year we will see those local and global connections made obvious in the most poignant ways. But they have always been there.

Last year, for example, I went to Grosse Isle, an island on the St. Lawrence river near Quebec city. I arrived in heavy rain and as I looked at the mounds which, together with white crosses, are all that mark the mass graves of the five thousand or more Irish people who died there, I was struck by the sheer power of commemoration. I was also aware that, even across time and distance, tragedy must be seen as human and not historic, and that to think of it in national terms alone can obscure that fact. And as I stood looking at Irish graves, I was also listening to the story of the French Canadian families who braved fever and shared their food, who took the Irish into their homes and into their heritage.

Indeed, the woman who told me that story had her own origins in the arrival at Grosse Ile. She spoke to me in her native French and, with considerable pride, in her inherited Irish. The more I have travelled the more I have seen that the Irish language since the famine has endured in the accents of New York and Toronto and Sydney, not to mention Camden Town. As such it is an interesting record of survival and adaptation. But long before that, it had standing as a scholarly European language. The Irish language has the history of Europe off by heart. It contains a valuable record of European culture from before the Roman conquest there. It is not surprising therefore that it is studied today in universities from Glasgow to Moscow and from Seattle to Indiana. And why indeed should I have been surprised to have been welcomed in Cracow in Irish by a Polish student? I take pleasure and pride in hearing Irish spoken in other countries just as I am moved to hear the rhythms of our songs and our poetry finding a home in other tongues and other traditions. It proves to me what so many Irish abroad already know: that Ireland can be loved in any language.

The weight of the past, the researches of our local interpreters and the start of the remembrance of the famine all, in my view, point us towards a single reality: that commemoration is a moral act, just as our relation in this country to those who have left it is a moral relationship. We have too much at stake in both not to be rigorous.

We cannot have it both ways. We cannot want a complex present and still yearn for a simple past. I was very aware of that when I visited the refugee camps in Somalia and more recently in Tanzania and Zaire. The thousands of men and women and children who came to those camps were, as the Irish of the 1840s were, defenseless in the face of catastrophe. Knowing our own history, I saw the tragedy of their hunger as a human disaster. We, of all people, know it is vital that it be carefully analyzed so that their children and their children's children be spared that ordeal. We realize that while a great part of our concern for their situation, as Irish men and women who have a past which includes famine, must be at practical levels of help, another part of it must consist of a humanitarian perspective which springs directly from our self-knowledge as a people. Famine is not only humanly destructive, it is culturally disfiguring. The Irish who died at Grosset Isle were men and women with plans and dreams of future achievements. It takes from their humanity and individuality to consider them merely as victims.

Therefore it seemed to me vital, even as I watched the current tragedy in Africa, that we should uphold the dignity of the men and women who suffer there by insisting there are no inevitable victims. It is important that in our own commemoration of famine, such reflections have a place. As Tom Murphy has eloquently said in an introduction to his play FAMINE: ''a hungry and demoralized people becomes silent''. We cannot undo the silence of our own past, but we can lend our voice to those who now suffer. To do so we must look at our history, in the light of this commemoration, with a clear insight which exchanges the view that we were inevitable victims in it, for an active involvement in the present application of its meaning. We can examine in detail humanitarian relief then and relate it to humanitarian relief now and assess the inadequacies of both. And this is not just a task for historians. I have met children in schools and men and women all over Ireland who make an effortless and sympathetic connection between our past suffering and the present tragedies of hunger in the world. One of the common bonds between us and our diaspora can be to share this imaginative way of re-interpreting the past. I am certain that they, too, will feel that the best possible commemoration of the men and women who died in that famine, who were cast up on other shores because of it, is to take their dispossession into the present with us, to help others who now suffer in a similar way.

Therefore I welcome all initiatives being taken during this period of commemoration, many of which can be linked with those abroad, to contribute to the study and understanding of economic vulnerability. I include in that all the illustrations of the past which help us understand the present. In the Famine Museum in Strokestown, there is a vivid and careful re-telling of what happened during the Famine. When we stand in front of those images I believe we have a responsibility to understand them in human terms now, not just in Irish terms then. They should inspire us to be a strong voice in the analysis of the cause and the cure of conditions that predispose to world hunger, whether that involves us in the current debate about access to adequate water supplies or the protection of economic migrants. We need to remember that our own diaspora was once vulnerable on both those counts. We should bear in mind that an analysis of sustainable development, had it existed in the past, might well have saved some of our people from the tragedy we are starting to commemorate.

I chose the title of this speech-cherishing the Irish diaspora—with care. Diaspora, in its meaning of dispersal or scattering, includes the many ways, not always chosen, that people have left this island. To cherish is to value and to nurture and support. If we are honest we will acknowledge that those who leave do not always feel cherished. As Eavan Boland reminds us in her poem ''The Emigrant Irish'':

''Like oil lamps we put them out the back,
''Of our houses, of our minds.''

To cherish also means that we are ready to accept new dimensions of the diaspora. Many of us over the years—and I as President—have direct experience of the warmth and richness of the Irish-American contribution and tradition, and its context in the hospitality of that country. I am also aware of the creation energies of these born on this island who are now making their lives in the United States and in so many other countries. We need to accept that in their new perspectives may well be a critique of our old ones. But if cherishing the diaspora is to be more than a sentimental regard for those who leave our shores, we should not only listen to their voice and their viewpoint. We have a responsibility to respond warmly to their expressed desire for appropriate fora for dialogue and interaction with us by examining in an open and generous way the possible linkages. We should accept that such a challenge is an education in diversity which can only benefit our society.

Indeed there are a variety of opportunities for co-operation on this island which will allow us new ways to cherish the diaspora. Many of those opportunities can be fruitfully explored by this oireachtas. Many will be taken further by local communities. Some are already in operation. Let me mention just one example here. One of the most understandable and poignant concerns of any diaspora is to break the silence: to find out the names and places or origin. If we are to cherish them, we have to assist in that utterly understandable human longing. The Irish Genealogical Project, which is supported by both governments, is transferring handwritten records from local registers of births, deaths and marriages, on to computer. It uses modern technology to allow men and women, whose origins are written down in records from Kerry to Antrim, to gain access to them. In the process it provides employment and training for young people in both technology and history. And the recent establishment of a council of genealogical organizations, again involving both parts of this island, shows the potential, for voluntary co-operation.

I turn now to those records which are still only being written. No family on this island can be untouched by the fact that so many of our young people leave it. The reality is that we have lost, and continue every day to lose, their presence and their brightness. These young people leave Ireland to make new lives in demanding urban environments. As well as having to search for jobs, they may well find themselves lonely, homesick, unable to speak the language of those around them; and if things do not work out, unwilling to accept the loss of face of returning home. It hardly matters at that point whether they are graduate or unskilled. What matters is that they should have access to the support and advice they need. It seems to me, therefore, that one of the best ways to cherish the diaspora is to begin at home. We need to integrate into our educational and social and counselling services an array of skills of adaptation and a depth of support which will prepare them for this first gruelling challenge of adulthood.

The urgency of this preparation, and its outcome, allow me an opportunity to pay tribute to the voluntary agencies who respond with such practical compassion and imagination to the Irish recently arrived in other countries. I have welcomed many of their representatives to Aras an Uachtarain and I have also seen their work in cities such as New York and Melbourne and Manchester, where their response on a day-to-day basis may be vital to someone who has newly arrived. It is hard to overestimate the difference which personal warmth and wise advice, as well as practical support, can make in these situations.

I pay a particular tribute to those agencies in Britain—both British and Irish—whose generous support and services, across a whole range of needs have been recognized by successive Irish governments through the Dion project. These services extend across employment, housing and welfare and make a practical link between Irish people and the future they are constructing in a new environment. Compassionate assistance is given, not simply to the young and newly arrived,

but to the elderly, the sick including those isolated by HIV or AIDS, and those suffering hardship through alcohol or drug dependency or who are in prison. Although I think of myself as trying to keep up with this subject, I must say I was struck by the sheer scale of the effort which has been detailed in recent reports published under the auspices of the Federation of Irish Societies. These show a level of concern and understanding which finds practical expression every day through these agencies and gives true depth to the meaning of the word cherish.

When I was a student, away from home, and homesick for my family and my friends and my country, I walked out one evening and happened to go into a Boston newsagent's shop. There, just at the back of the news stand, almost to my disbelief, was ''The Western People.'' I will never forget the joy with which I bought it and took it back with me and found, of course, that the river Moy was still there and the Cathedral was still standing. I remember the hunger with which I read the news from home. I know that story has a thousand versions. But I also know it has a single meaning. Part of cherishing must be communication. The journey which an Irish newspaper once made to any point outside Ireland was circumscribed by the limits of human travel. In fact, it replicated the slow human journey through ports and on ships and airplanes. Now that journey can be transformed, through modern on-line communications, into one of almost instantaneous arrival.

We are at the centre of an adventure in human information and communication greater than any other since the invention of the printing press. We will see our lives changed by that. We still have time to influence the process and I am glad to see that we in Ireland are doing this. In some cases this may merely involve drawing attention to what already exists. The entire Radio 1 service of RTE is now transmitted live over most of Europe on the Astra satellite. In North America we have a presence through the Galaxy satellite. There are several internet providers in Ireland and bulletin boards with community database throughout the island. The magic of E-mail surmounts time and distance and cost. And the splendid and relatively recent technology of the World Wide Web means that local energies and powerful opportunities of access are being made available on the information highway.

The shadow of departure will never be lifted. The grief of seeing a child or other family member leave Ireland will always remain sharp and the absence will never be easy to bear. But we can make their lives easier if we use this new technology to being the news from home. As a people, we are proud of our story-telling, our literature, our theatre, our ability to improvise with words. And there is a temptation to think that we put that at risk if we espouse these new forms of communications. In fact we can profoundly enrich the method of contact by the means of expression, and we can and should—as a people who have a painful historic experience of silence and absence—welcome and use the noise, the excitement, the speed of contact and the sheer exuberance of these new forms.

This is the second time I have addressed the two Houses of the Oireachtas as provided under the Constitution. I welcome the opportunity it has given me to highlight this important issue at a very relevant moment for us all. The men and women of our diaspora represent not simply a series of departures and losses. They remain, even while absent, a precious reflection of our own growth and change, a precious reminder of the many strands of identity which compose our story. They have come, either now or in the past, from Derry and Dublin and Cork and Belfast. They know the names of our townlands and villages. They remember our landscape or they have heard of it. They look at us anxiously to include them in our sense of ourselves and not to forget their contribution while we make our own. The debate about how to best engage their contribution with our own has many aspects and offers opportunities for new structures and increased contact.

If I have been able to add something to this process of reflection and to encourage a more practical expression of the concerns we share about our sense of ourselves at home and abroad then I am grateful to have had your attention here today. Finally, I know this Oireachtas will agree with me that the truest way of cherishing our diaspora is to offer them, at all times, the reality of this island as a place of peace where the many diverse traditions in which so many of them have their origins, their memories, their hopes are bound together in tolerance and understanding.

TRIBUTE TO LINDA WARD-WILLIAMS

Mr. BURNS. Mr. President, I rise today to pay tribute to a dedicated servant of the people of the United States. Linda Ward-Williams, who has an outstanding record of public service, was tragically killed in an auto accident February 7, 1995, near the family home of Fishtail, MT. She is survived by her husband, Burt, and her parents, Thomas and Ethel Ward of Hysham, MT. Burt Williams is currently with the Bureau of Land Management.

According to the Billings Gazette,

Linda was definitely an individual. She was born June 12, 1947, the daughter of Tom and Ethel Ward, and attended schools in Hysham, Billings and Missoula in Montana, culminating in a master's degree in anthropology at the University of Colorado, working toward a Ph.D.

Linda started professional life as an Old World archaeologist and worked on projects in Israel and Western Europe. She gave up the allure of the Old World and settled into Western U.S. archaeology when she married her husband in 1971.

Linda as an archaeologist, started her career with the Bureau of Land Management in 1978. She moved to the Bureau of Reclamation in 1979. She began her work as a forest ranger for the U.S. Forest Service in 1987 and was elevated to district ranger at the Beartooth Ranger District, Red Lodge, MT, in 1989.

Federal land managers have the most challenging positions of all the public service jobs in the West. They are constantly being challenged by resource managers and users, special interest groups, and folks who know very little about natural resource management but think they do, especially the great renewable resources found on our Nation's national forests. She met those challenges with intelligence and judgment. I did not always agree with her but she gave the full measure of thought before every decision.

The State of Montana has lost a friend, the Nation has lost a dedicated public servant. In the great tradition of those who are tied to the land in this country, there will be those who will follow in her footsteps with the same degree of dedication. That is how it should be and how she would have it.

A TRIBUTE TO SENATOR J. WILLIAM FULBRIGHT

Mr. PRYOR. Mr. President, a constituent of mine, Clyde Edwin Pettit, was a member of the staff of the late Senator J. William Fulbright. Mr. Pettit went to Vietnam as a foreign correspondent and made many distinguished radio broadcasts from there in 1965 and 1966. He was one of the very first Americans to predict that the United States would not prevail in that tragic undertaking. He wrote what Senator Fulbright called a long and prescient letter * * * from Saigon that was a substantial influence upon my long opposition to America's adventure in Indochina. Mr. Pettit has written a moving and eloquent tribute to Senator Fulbright.

Mr. President, I ask unanimous consent that a copy of the eulogy to which I have referred and a letter of introduction Senator Fulbright wrote regarding Clyde Pettit be inserted in the RECORD.

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

BILL FULBRIGHT—AN APPRECIATION

Senator J. William Fulbright is dead.

He was, in every sense, an American original.

A small-town boy, who was both a scholar and triple-threat halfback on the Razorback football team at the University of Arkansas, he became, almost by chance, a Rhodes scholar in England.

Later, while a law professor, he became president of the University of Arkansas—the youngest college president in the country.

He backed into politics almost accidently, running for the House of Representatives and winning.

In Congress in 1943 he revived the concept of the League of Nations, but a more effective one. This was the Fulbright Resolution pledging U.S. membership for a future United Nations. Arkansas made Fulbright a Democrat. Europe made him an internationalist.

After his Rhodes scholarship experience, he wanted other young men and women to have the educational opportunities he had. In 1945 he had a unique idea: the world was awash with surplus war materiel. The secretary of state could dispose of assets outside the U.S. in return for foreign credits. Since none of the countries involved had dollars to pay for the materiel, why not exchange it for credits and use them for an educational exchange program? The idea became the internationally celebrated Fulbright Act. Since that time, approximately 220,000 young scholarship students have traversed the globe—the greatest cross-pollination of learning in the history of the world.

Few remember that he cast the single vote in the Senate in 1954 against funding Senator Joe McCarthy's witchhunting subcommittee. McCarthy called Fulbright a communist sympathizer, referring to him as ''Senator Halfbright.'' Fulbright: ''I can only say that his manner and his methods were offensive to me. I thought him to be a demagogue and a ruthless boor.'' He said McCarthy had ''done more harm to the United States than

he has ever done to the Communist conspiracy here or abroad.'' He cosponsored the censure resolution that was the beginning of the end of McCarthy.

In 1960 President Kennedy wanted Fulbright as his Secretary of State, but was dissuaded from asking him to serve. Much later Fulbright said he was ''not tempermentally asuited'' to administer ''somebody else's policy—or one I disagreed with.'' Another reason is that it would have removed him from the Senate that he loved.

He opposed the disastrous Bay of Pigs invasion of Cuba and tried vainly to talk President Kennedy out of proceeding with it.

As Chairman of the Senate Foreign Relations Committee, Senator Fulbright led the floor-fight for the Gulf of Tonkin Resolution because President Johnson asked him to, promising him that its effects would be limited and not open-ended. This began Johnson's tragic adventure in Indochina. Soon after, Fulbright realized he had been lied to about what really happened in the Gulf of Tonkin, he had the courage and the manhood to confess that he had been wrong in supporting it. He then convened the so-called, Fulbright Hearings of the Senate Foreign Relations Committee, summoning Dean Rusk and Robert McNamara and all the great war-hawks to educate the American public via television. He began his courageous seven-year crusade against the Vietnam War.

When a colleague asked him if the Senate had the power to enact certain legislation, Fulbright replied, ''We have the power to do any dawn fool thing we want, and we always seem to do it.''

Apropos of Vietnam and our tragic experience there, he liked to quote Kipling:

The end of the fight is a tombstone white
with the name of the late deceased,
And the epitaph drear: ''A fool lies here
who tried to hustle the East''.

He was one of the first to warn that Americans were being taxed to pay for being propagandized by what he called ''The Pentagon Propaganda Machine.''

He had the wisdom to see that in all political systems there is a tendency for public servants to metamorphose into public masters, surfeited with unchecked power and privilege and increasingly overpaid to misgovern. He knew that even free peoples can be led to death and maiming because they do not realize that all wars are against their interests. The tragedy of his life is his discovery that wars, once started, tend to become inundating forces of nature, inexhorable and beyond the control of any of the participants.

He was a tory by birth and breeding, a capitalist by background, conviction and instinct. He used to say, ''I believe that capitalism is, by and large, the best system to bring the highest standard of living to the most people. If, however, a country wants to try socialism or some other system, then they should by all means be permitted to. But I do not believe that we have the moral right, and certainly not the capacity, to prevent their going their own way.''

He was a conservative. He believed as the Founding Fathers did that governments derive their powers from the consent of the governed. He believed in the limitation of executive powers, in checks and balances and in the separation of governmental powers. Constitutionally he was a strict constructionist.

He was a liberal, resonating to the principles of the American Revolution and the inherent right of all peoples to change their governments. His liberalism was in the original sense of the word, derived from the word liberty, in being broad-minded, undogmatic, tolerant—which is what all true conservatives should aspire to be.

He was one of the early champions of the wise investment of American aid to rebuild and strengthen a war-ravaged Europe. Later, he was one of the early opponents of the extravagant support of unpopular and repressive dictatorships abroad—enriching Asian countries merely because they professed to be anti-communist. He fought against the transfer of hundreds of billions of U.S. dollars to the Far East, enriching Asian nations merely because they professed to be anti-communist. He was a reluctant witness to America's rapid decline from being the biggest creditor nation on earth to become the biggest debtor nation—what he called ''a crippled giant.''

Usually courteous to the point of courtliness—especially to the humble—he was sometimes professorial, even condescending to his peers—especially the pompous. Only with difficulty did he suffer fools, He had contempt for politicians and their ''communications'' experts—with government by poll. ''Their purpose seems to consist largely in discovering what people want and feel and dislike,'' he said, ''and then associating themselves with those feelings. * * * This is the opposite of leadership, it is followship, elevated to a science, for the purpose of self-advancement. Even formal policy speeches are determined by the polls. The policy statements that emerge have little to do with the national interest.''

He lived through most of a terrible and turbulent century. In the vastness of time, his nine decades of life were but a narrow valley between the peaks of two eternities. And yet, what a bountiful valley it was.

Sir Christopher Wren's epitaph in London—in the St. Paul's Cathedral he designed—is Si monentum requiris circumspice—''If you would seek his monument, look around you.''

The same epitaph is appropriate for Bill Fulbright.

The United Nations.

The Fulbright scholarships.

The anti-war years during the maelstrom of Vietnam.

The scores of legislative accomplishments.

The wise world-view he sustained thoroughout his long lifetime.

''Our future is not in the stars,'' he used to say, ''but in our own minds and hearts.''

In a sense, his most lasting monument is invisible. It is the thousands of names that are not engraved on The Wall of the Vietnam Memorial in Washington—all the names that are not there because once, long ago, he led the fight against an unwinnable war he knew was contrary to the interests of his country. He was one of the first to diagnose the dangers of the arrogance of unchecked executive power, the price of pride and hubris. He had the common sense to oppose old myths, the vision to appreciate new realities, and a keen feel for the great lesson of history—that the price of empire is always too high.

If half the Congress were composed of Bill Fulbrights, legislative functioning might be extremely difficult. But unless America continues to produce two or three in every generation, America democracy as we know it might indeed perish.

We have lost a great national treasure—perhaps a nonrenewable resource.

Sic transit.

To whom it may concern:

Mr. Clyde E. Pettit, Jr. is well known to me. He is a lawyer and television producer from a prominent family in my state. He is President of KYMA–TV and Vice President of Sun Communications.

Mr. Pettit was on the United States Senate staff during the years I was U.S. Senator from Arkansas and Chairman of the Senate Foreign Relations Committee. He was Special Assistant to the late Senator Carl Hayden, then the President of the U.S. Senate.

Mr. Pettit went to Vietnam as a foreign correspondent and made many distinguished radio broadcasts in 1965 and 1966. He was one of the very first Americans to predict that the United States could not prevail in that tragic undertaking. He wrote a long and prescient letter to me from Saigon that was a substantial influence upon my long opposition to America's adventure in Indochina. Later he wrote the book, ''The Experts''—the definitive chronicle of the Vietnam War. He has had a consistent vision of our proper role in foreign affairs and a continuing concern for U.S. involvement in Asia and the Middle East.

He believes, incidentally, that since more than fifteen years have elapsed since the end of hostilities, it is time for diplomatic, cultural and commercial relations to be re-established. I agree.

Any courtesies extended to him will be appreciated.

Sincerely,

J.W. FULBRIGHT.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Morning business is now closed.

BALANCED BUDGET AMENDMENT TO THE CONSTITUTION

The PRESIDING OFFICER. The Chair does apologize to the Senator from West Virginia. Under the previous order, the Senate was to resume consideration of House Joint Resolution 1 at 12:30. We will now do that. The clerk will report.

The legislative clerk read as follows:

A joint resolution (H.J. Res. 1) proposing a balanced budget amendment to the Constitution of the United States.

The Senate resumed consideration of the joint resolution.

Pending:

(1) Feinstein amendment No. 274, in the nature of a substitute.

(2) Feingold amendment No. 291, to provide that receipts and outlays of the Tennessee Valley Authority shall not be counted as receipts or outlays for purposes of this article.

(3) Graham amendment No. 259, to strike the limitation on debt held by the public.

(4) Graham amendment No. 298, to clarify the application of the public debt limit with respect to redemptions from the Social Security Trust Funds.

(5) Kennedy amendment No. 267, to provide that the balanced budget constitutional amendment does not authorize the President to impound lawfully appropriated funds or impose taxes, duties, or fees.

(6) Bumpers modified motion to refer H.J. Res. 1 to the Committee on the Budget with instructions.

(7) Nunn amendment No. 299, to permit waiver of the amendment during an economic emergency.

(8) Nunn amendment No. 300, to limit judicial review.

(9) Levin amendment No. 273, to require Congress to pass legislation specifying the means for implementing and enforcing a balanced budget before the balanced budget amendment is submitted to the States for ratification.

(10) Levin amendment No. 310, to provide that the Vice President of the United States shall be able to cast the deciding vote in the Senate if the whole number of the Senate be equally divided.

(11) Levin amendment No. 311, to provide that the Vice President of the United States shall not be able to cast the deciding vote in the Senate if the whole number of the Senate be equally divided.

(12) Pryor amendment No. 307, to give the people of each State, through their State representatives, the right to tell Congress how they would cut spending in their State in order to balance the budget.

(13) Byrd amendment No. 253, to permit a bill to increase revenue to become law by majority vote.

(14) Byrd amendment No. 254, to establish that the limit on the public debt shall not be increased unless Congress provides by law for such an increase.

(15) Byrd amendment No. 255, to permit the President to submit an alternative budget.

(16) Byrd amendment No. 258, to strike any reliance on estimates.

(17) Byrd amendment No. 259, to provide that any bill to increase revenues shall not become law unless three-fifths of the whole number of each House shall provide by law for such an increase by a rollcall vote.

(18) Byrd amendment No. 252, to permit outlays to exceed receipts by a majority vote.

(19) Kerry motion to commit H.J. Res. 1 to the Committee on the Budget.

(20) Hatch (for Dole) motion to recommit H.J. Res. 1 to the Committee on the Budget with instructions.

(21) Hatch (for Dole) motion to recommit H.J. Res. 1 to the Committee on the Budget with instructions.

(22) Hatch (for Dole) motion to commit H.J. Res. 1 to the Committee on the Judiciary with instructions.

(23) Hatch (for Dole) motion to commit H.J. Res. 1 to the Committee on the Judiciary with instructions.

The PRESIDING OFFICER. Under the previous order, the Senator from West Virginia [Mr. BYRD] is now recognized.

(Mr. HELMS assumed the chair.)

Mr. BYRD. I thank the Chair.

Mr. President, I have discussed this request with the distinguished Senator from Utah. I think, at the moment, he might be constrained to object, because I believe he will want to discuss the request with the majority leader. But I will make it for the RECORD just now and then I will withdraw it.

Mr. President, I ask unanimous consent that my amendments be voted on in the following order: No. 252, 254, 255, 253, and 258, and that amendment No. 289 be withdrawn.

I withdraw that request until such time as the distinguished Senator from Utah can discuss it with the majority leader.

Mr. President, on tomorrow, the Senate will begin voting on the amendments that have been called up and made to qualify under the order that was entered previously. I believe that there are in the nature of 22 or 23 or 24 amendments that are on the list. Among those amendments, I have five amendments. I am not counting the amendment which I anticipate that I will withdraw.

Mr. President, in the main, my amendments go to certain of the flaws, which I have discussed on previous occasions, that I have found objections to in the balanced budget amendment to the Constitution. For example, I have been troubled by the numerous supermajority requirements that are included in the balanced budget amendment.

As I have stated on previous occasions that the United States Constitution and amendments thereto contain nine circumstances in which a two-thirds vote in one or both Houses is necessary to an action or to the making of a quorum. Specifically, these are, one, conviction following impeachment; two, expulsion of a Member; three, override of a Presidential veto; four, advise and consent on treaties; five, proposing constitutional amendments; six, removing the bar of entry to Congress for having engaged in insurrection or rebellion against the United States; and seven, determining the President's ability to discharge his duties following a Vice Presidential declaration of Presidential disability.

In addition, article II, section 1, clause 3, and the 12th amendment, which supersedes the article II provision, require a two-thirds quorum when the election of the President and/or Vice President should be decided by Congress. The actual vote, however, remains a constitutional majority.

In several of these instances, the supermajorities have either never been called into play or have been resorted to only in a few instances and, in some instances, the last occasion in which the particular provision was called into play was decades ago.

For example, in the case of the expulsion of a Member, which requires a supermajority, the last instance in which a Member of Congress was actually expelled was in 1862, when Waldo P. Johnson, Democrat of Missouri, was expelled for having supported the rebellion. Therefore, in that instance, as we can see, it was 133 years ago when that situation requiring a supermajority last arose.

In the case of constitutional amendments, for which supermajorities are required in both Houses and by the States, only 27 amendments have been adopted, and 17 of those have been adopted since the first 10 amendments.

There are six additional amendments that have been submitted to the States, thus having received the requisite two-thirds in both Houses, but which have failed on ratification. The following are those six amendments that did not receive the requisite support of three-fourths of the States:

September 25, 1789, an amendment dealing with the number of Representatives in the House; an amendment adopted during the second session of the 11th Congress relating to acceptance of foreign titles of nobility; an amendment adopted and submitted to the States on March 2, 1861, prohibiting congressional abolition of slavery; June 2, 1926, authorizing the Congress to enact child labor laws; March 22, 1972, the equal rights amendment; and August 22, 1978, relating to the voting rights of D.C. residents.

So, as we can see, the amendment provision under article 5 of the United States Constitution has not been used very frequently.

As to the 14th amendment, namely, the removal of the bar from entry into Congress, the right to remove disabilities imposed by section 3 of the 14th amendment was exercised by Congress, by supermajority votes in both Houses, at different times on behalf of certain persons. In 1872, the disabilities were removed by a blanket act from all persons ''except Senators and Representatives of the 36th and 37th Congresses,'' and 26 years later on June 6, 1898,—in other words, 97 years ago—Congress passed legislation removing the disability imposed by section 3.

The authority of Congress to determine Presidential disability under section 4 of the 25th amendment has never been exercised since the amendment's ratification in February, 1967. It should be noted, however, that President Reagan did notify the Speaker of the House and the Senate President pro tempore of his temporary disability on July 13, 1985. The disability, due to anesthesia administered during surgery, was subsequently terminated later the same day.

What I have attempted to show here, Mr. President, is the dearth of instances in which many of these supermajorities, that are included in the original Constitution and the amendments thereto, have actually been called into play. And as I say in some instances decades have passed since these provisions last were activated. These supermajorities, however, deal with the structure of our form of government, or with the protection of individual rights.

But here we come now with this amendment to the Constitution to balance the budget which requires supermajorities in enforcing fiscal policy—for example, in section 1, section 2, section 4, and section 5. Included in those supermajorities is the phraseology of section 4 which refers to approval by ''a majority of the whole number of each House,'' and of section 5 which does likewise.

Mr. President, the requirement of approval by a majority of the whole number of each House can very well in some instances require more votes than a two-thirds vote depending upon how many Senators or House Members are present and voting.

The instances in the original Constitution and the amendments thereto that require two-thirds majorities, require a two-thirds majority of those Senators and House Members ''present and voting'', except in the instance of treaties and convictions on impeachments. I seem to remember that in

those two instances a two-thirds majority of the Senators ''present'' are required—not two-thirds of the Senators who are chosen and sworn, not two-thirds of those Senators who are voting, but two-thirds of the Senators ''present''.

May I inquire of the Chair if I am correct?

The PRESIDING OFFICER. The Chair informs the Senator from West Virginia he is correct.

Mr. BYRD. I thank the Chair.

But, now, this balanced budget amendment, in section 1, which deals with balancing outlays and receipts, any waiver requires that ''three-fifths of the whole number of each House of Congress shall provide by law for a specific excess of outlays over receipts by a rollcall vote.''

Section 2, the provision whereby the limit on the debt may be increased, ''three-fifths of the whole number of each House'' is required to waive that stricture.

Section 4: ''No bill to increase revenue shall become law unless approved by a majority of the whole number of each House by a rollcall vote.''

Well, as I have already indicated, depending upon how many Members are present and voting in each House, that requirement could well require more than a two-thirds or three-fifths majority of those present and voting.

And the same thing obtains with respect to section 5 of the balanced budget amendment. Any resolution allowing for the provisions of the article to ''be waived for any fiscal year in which the United States is engaged in military conflict which causes an imminent and serious military threat to national security,'' must be adopted by a majority of the whole number of each House, which, in the case of the Senate, means at least 51—and that requirement may very well be more than two-thirds or more than three-fifths of the Senators who are present and voting.

These are very difficult strictures to overcome—these supermajority requirements that are being written into the Constitution by this balanced budget amendment—more constrictive than any of the supermajorities written into the original constitution and/or amendments thereto.

Mr. President, let us see what the authors of the Federalist Papers have to say about supermajorities. Hamilton in the Federalist No. 75 said and I quote:

> . . . all provisions which require more than the majority of any body to its resolutions have a direct tendency to embarrass the operations of the government and an indirect one to subject the sense of the majority to that of the minority.

In other words, they create a minority veto.

I will read Hamilton's statement in Federalist No. 75 again.

> . . . all provisions which require more than the majority of any body to its resolutions have a direct tendency to embarrass the operations of the government and an indirect one to subject the sense of the majority to that of the minority.

Hamilton, in the Federalist No. 22 says this, about giving the minority a negative on the majority:

> To give a minority a negative upon the majority (which is always the case where more than a majority is requisite to a decision) . . .

Let me read that again because it goes to the provisions that require a majority of the whole number of each body, that are to be found in sections 4 and 5 of the balanced budget amendment.

> To give a minority a negative upon the majority (which is always the case where more than a majority is requisite to a decision) is, in its tendency, to subject the sense of the greater number to that of the lesser number.

* * * * *

> In those emergencies of a nation in which the goodness or badness, the weakness or strength, of its government is of the greatest importance, there is commonly a necessity for action. The public business must in some way or other go forward. If a pertinacious minority can control the opinion of a majority, respecting the best mode of conducting it, the majority in order that something may be done must conform to the views of the minority; and thus the sense of the smaller number will overrule that of the greater and give a tone to the national proceedings. Hence, tedious delays; continual negotiation and intrigue; contemptible compromises of the public good. And yet, in such a system it is even happy when such compromises can take place: for upon some occasions things will not admit of accommodation; and then the measures of government must be injuriously suspended, or fatally defeated. It is often by the impracticability of obtaining the concurrence of the necessary number of votes kept in a state of inaction. Its situation must always savor of weakness, sometimes border upon anarchy.

Mr. President, you see we have to go through these Perils of Pauline in every fiscal year.

The Northwest Ordinance was being debated in New York City at the very same time that the Constitutional Convention was meeting in Philadelphia. On July 13, 1787, the Northwest Ordinance was adopted. And that ordinance is one of the most important documents in the history of this country, and it rates—not as high as the Constitution and the Declaration of Independence, but it may rank a very close third. It may be instructive to note that the Northwest Ordinance required only simple majorities in the votes of the council, which would correspond with the Senate in the Federal Constitution, and in the votes of the representatives who were to be elected.

It also should be remembered that when and where these supermajorities are required—and I have listed four instances here in the balanced budget amendment in which supermajorities would be required—they promote unreliability and unpredictability. People cannot count on, from year to year, just what is going to happen, and how their lives are to be affected, because we are talking about balancing the budget in every fiscal year.

> Total outlays for any fiscal year shall not exceed receipts for that fiscal year, unless three-fifths of the whole number of each House of Congress shall provide by law for a specific excess of outlays over receipts. . . .

Hence, the people are to be left without assurance as to whether or not their Government is going to be constant. These supermajorities promote inconstancy. Let us see what Madison, in the Federalist No. 62, has to say about such.

> What prudent merchant will hazard his fortunes in any new branch of commerce when he knows not but that his plans may be rendered unlawful before they can be executed? What farmer or manufacturer will lay himself out for the encouragement given to any particular cultivation or establishment, when he can have no assurance that his preparatory labors and advances will not render him a victim to an inconstant government? In a word, no great improvement or laudable enterprise can go forward which requires the auspices of a steady system of national policy.

Madison continues:

> But the most deplorable effect of all is that diminution of attachment and reverence which steals into the hearts of the people towards a political system which betrays so many marks of infirmity, and disappoints so many of their flattering hopes. No government, any more than an individual, will long be respected without being truly respectable; nor be truly respectable without possessing a certain portion of order and stability.

Daniel Webster said, ''Let us develop the resources of our land, call forth its powers, build up its institutions, promote all its great interests, and see whether we also, in our day and generation, may perform something worthy to be remembered.''

Webster was talking about the development of the country, and about investing in the Nation, in its people, in its highways, its railroads, its waterways. But such investment needs to be on a multi-year basis—it requires reliability, predictability, and consistency in accordance with long-term planning and design. Such investment planning must not be subjected to the fits and starts that will result from annual supermajority requirements to balance the Federal budget.

Madison, in 62, is talking about this inconstancy and unpredictability in Government policy that would be brought about by this spate of new and very difficult supermajorities required in the implementation of fiscal policy.

> What prudent merchant will hazard his fortunes in any new branch of commerce, when he knows not but that his plans may be rendered unlawful before they can be executed? What farmer or manufacturer will lay himself out for the encouragement given to any particular cultivation or establishment, when he can have no assurance that his preparatory labors and advances will not render him a victim to an inconstant government? In a word no great improvement or laudable enterprise, can go forward, which requires the auspices of a steady system of national policy.

There are also those who are concerned, like myself, with respect to section 5, which deals with military conflicts.

Section 5. The Congress may waive the provisions of this article for any fiscal year in which a declaration of war is in effect. The provisions of this article may be waived for any fiscal year in which the United States is engaged in military conflict which causes an imminent and serious military threat to national security and is so declared by a joint resolution, adopted by a majority of the whole number of each House, which becomes law.

Let us see what Hamilton has to say in the Federalist No. 30.

How can it undertake or execute any liberal or enlarged plans of public good?

Let us attend to what would be the effects of this situation in the very first war in which we should happen to be engaged. We will presume, for argument's sake, that the revenue arising from the impost duties answers the purposes of a provision for the public debt and of a peace establishment for the Union. Thus circumstanced, a war breaks out. What would be the probable conduct of the government in such an emergency? Taught by experience that proper dependence could not be placed on the success of requisitions, unable by its own authority to lay hold of fresh resources, and urged by considerations of national danger, would it not be driven to the expedient of diverting the funds already appropriated from their proper objects to the defense of the State?

Mr. President, note that Hamilton refers to ''the expedient of diverting the funds already appropriated from their proper objects to the defense of the State?''

I have heard Senators who are supporters of this amendment say that, if we get into a military exigency we will just cut other programs, we will divert funds from other programs—as though we have plenty of time during a military exigency to go through all this examination of other programs and projects and take our pencils and add up and subtract all those things. We do not have time for that during an emergency involving our military security.

Hamilton is here speaking of diverting funds already appropriated from their proper objects to the defense of the state.

It is not easy to see how a step of this kind could be avoided; and if it should be taken, it is evident that it would prove the destruction of public credit at the very moment that it was becoming essential to the public safety.

* * * * *

In the modern system of war, nations the most wealthy are obliged to have recourse to large loans.

But who would lend to a government that prefaced its overtures for borrowing by an act which demonstrated that no reliance could be placed on the steadiness of its measures for paying?

Section 2 deals with the limit on the debt of the United States:

The limit on the debt of the United States held by the public shall not be increased unless three-fourths of the whole number of each house shall provide by law for such an increase by a rollcall vote.

Hamilton says:

But who would lend to a government that prefaced its overtures for borrowing by an act which demonstrated that no reliance could be placed on the steadiness of its measures for paying? The loans it might be able to procure, would be as limited in their extent as burthensome in their conditions. They would be made upon the same principles that usurers commonly lend to bankrupt and fraudulent debtors—with a sparing hand and at enormous premiums.

Then Hamilton in 22 goes on to say this:

Suppose, for example, we were engaged in a war, in conjunction with one foreign nation against another. Suppose the necessity of our situation demanded peace, and the interest or ambition of our ally led him to seek the prosecution of the war, with views that might justify us in making separate terms. In such a state of things, this ally of ours would evidently find it much easier by his bribes and intrigues to tie up the hands of government from making peace, where two-thirds of all the votes were requisite to that object, then where a simple majority would suffice. In the first case he would have to corrupt a smaller number; in the last, a greater number. Upon the same principle, it would be much easier for a foreign power with which we were at war, to perplex our councils and embarrass our exertions. In a commercial view, we may be subjected to similar inconveniences.

We have discussed section 5 of this balanced budget amendment heretofore. It is very obvious that, when it comes to dealing with an imminent military threat to the Nation's security, the Congress may be hard pressed to secure a majority of the whole number of each House in order to lift this burdensome restriction of requiring that outlays not exceed receipts in a given fiscal year.

Let us see what Hamilton, in the Federalist No. 30, says that might have some bearing upon this situation.

It has been already observed that the federal government ought to possess the power of providing for the support of the national forces; in which proposition was intended to be included the expense of raising troops, of building and equipping fleets, and all other expenses in any wise connected with military arrangements and operations. But these are not the only objects to which the jurisdiction of the Union in respect to revenue must necessarily be empowered to extend. It must embrace a provision for the support of the national civil list; for the payment of the national debts contracted or that may be contracted; and, in general, for all those matters which will call for disbursements out of the national treasury. The conclusion is that there must be interwoven in the frame of the government a general power of taxation, in one shape or another.

I have heard certain Republican Senators recently on this floor state that they will never vote for a tax increase. Yet, Mr. President, it may be absolutely necessary to have a tax increase, if the Nation is faced with a military exigency such as that contemplated in section 5 of the balanced budget amendment, and increases in taxes may also be necessary to balance the budget, or to pay for other important objects that are within the jurisdiction of the Congress and the Union.

Hamilton, in the Federalist No. 30, goes on to say:

What substitute can there be imagined for this *ignis fatuus*—

That is a will-o'-the-wisp or jack-o-lantern.

What substitute can there be imagined for this ignis fatuus in finance, but that of permitting the national government to raise its own revenues by the ordinary methods of taxation, authorized in every well-ordered constitution of civil government?

Mr. President, we are not going to have ''ordinary methods of taxation'' if this balanced budget amendment is approved because, in order to increase revenues, ''a majority of the whole number of each house'' will be required to do so. And in some instances, as I have already demonstrated, that may amount to more than a two-thirds vote. It may actually amount to more than two-thirds or three-fifths of the total membership in a given situation.

Continuing with Hamilton's Federalist No. 30:

Ingenious men may declaim with plausibility on any subject; but no human ingenuity can point out any other expedient to rescue us from the inconveniences and embarrassments, naturally resulting from defective supplies of the public treasury.

How is it possible that a government half supplied and always necessitous, can fulfill the purposes of its institution—can provide for the security of—advance the prosperity—or support the reputation of the commonwealth? How can it ever possess either energy or stability, dignity or credit, confidence at home or respectability abroad?

Mr. President, this new amendment with its supermajorities will makes this Nation musclebound. It will put the Nation in a straitjacket when it comes to the necessity of increasing revenues, when it comes to the necessity of waving the requirements that outlays not exceed receipts.

Let us look at the plausibility of these new supermajorities which fly in the face of what the Framers contemplated. I call attention to the fact that, under the Articles of Confederation agreed to on November 15, 1777, supermajorities were required in great number—one of the reasons why the Articles of Confederation did not work well. I shall read from article 10 of the Articles of Confederation.

The united states in congress assembled shall never engage in a war, nor grant letters of marque and reprisal in time of peace, nor enter into any treaties or alliances, nor coin money, nor regulate the value thereof, nor ascertain the sums and expences necessary for the defence and welfare of the united states, or any of them, nor emit bills, nor borrow money on the credit of the united states, nor appropriate money, nor agree upon the number of vessels of war, to be built or purchased, or the number of land or sea forces to be raised, nor appoint a commander-in-chief of the army or navy, unless nine states assent to the same; nor shall a question on any other point, except for adjourning from day to day be determined, unless by the votes of a majority of the united states in congress assembled.

Well, there were 13 States. Nine votes would mean a majority of the whole number. But in the case of ascertaining the sums and expenses necessary for the defense and welfare of the United States or to borrow money on the credit of the United States or to appropriate money or to agree upon the number of vessels at war to be built or

purchased, or to agree upon the number of land or sea forces to be raised, a supermajority of 9 States out of the 13 would be required in each of those instances. Hence, the Articles of Confederation were filled with requirements for supermajorities. As I say, that was one of the primary reasons why the Articles of Confederation did not work.

So, the Framers of our Constitution, some of whom had served in the Congress under the Articles of Confederation, saw the bane of those supermajorities and were determined that the new Constitution would not contain them. Therefore, only a majority is required to exercise the great policy powers that are granted in article I, section 8 and in section 9 of the Constitution.

I offered an amendment last week that would have eliminated the problem with section 5, insofar as a majority of the whole number of each House is required to lift the restrictions of the balanced budget amendment in a time of serious conflict, the security of the Nation being at stake. My amendment was tabled by a vote of 55 to 41. The language of section 5 remains.

I talked about the possibility of a Vice President not being able to cast a vote that would count in a situation arising under section 5 of the balanced budget amendment, because at least 51 Senators would be required. At least 51 Senators would be required to lift the strictures imposed by the balanced budget amendment. In the event of a 50–50, or a 48–48, or a 47–47 vote—a vote of the Vice President could not break the tie to make a simple majority. A minimum of 51 Members of the Senate must vote to lift such restrictions in a time of danger to the Nation.

Here is what Hamilton said in Federalist No. 68:

> The appointment of an extraordinary person, as Vice President, has been objected to as superfluous, if not mischievous.
>
> . . . two considerations seem to justify the ideas of the convention in this respect. One is, that to secure at all times the possibility of a definitive resolution of the body, it is necessary that the President should have only a casting vote.

There are other dangers in the balanced budget amendment that I have cited from time to time. I think it is pregnant with an invitation to the judiciary to intervene. There is nothing in the balanced budget amendment that either forbids or invites the judiciary to intervene in the enforcement of the balanced budget amendment. But I think that circumstances themselves would result in the intervention by the judiciary when it came to cutting programs, increasing taxes, deciding other problems and cases and controversies that might arise under this new article and even outside the new article.

I read from Hamilton, Federalist No. 78:

> The executive not only dispenses the honors, but holds the sword of the community. The legislature not only commands the purse, but prescribes the rules by which the duties and rights of every citizen are to be regulated. The judiciary, on the contrary, has no influence over either the sword or the purse. . . . It proves incontestably that the judiciary is beyond comparison the weakest of the three departments of power.
>
> . . . there is no liberty, if the power of judging be not separated from the legislative and executive powers.

Mr. President, when this new amendment is adopted and later ratified—if it is adopted and ratified—it will stand Hamilton's words on their head. The judiciary will then become the strongest of the three departments of power, rather than the weakest, as Hamilton had said in the Federalist No. 78.

No one can say, Mr. President, with absolute certitude as to what will happen if and when this amendment is made a part of the Constitution. Nobody can say with absolute certainty. But we have to explore these possibilities, and I fear, with great alarm, the possibility, nay the probability, that the power of the purse will be shifted to the executive; and when cases or controversies arise, the courts will intervene and we will have situations in which the courts, made up of unelected judges with life tenures, will be telling the Congress when to tax, where to tax, how much to tax, when to cut programs, what programs to cut, and by how much, and it will be a sad day when our country awakens to the fact that the judiciary is the strongest of the three branches. Even if there were a way to exclude the judiciary—and the Johnston amendment was an attempt to do so, but it was rejected—the legislative branch would still be weakened.

Mr. NUNN has an amendment which will be voted on. I will support the Nunn amendment, as I supported the Johnston amendment. But I do not concede that that amendment will eliminate all prospects of the judicial branch's entering into the political thicket of decisions with respect to this new article, the balanced budget amendment.

What did Madison say about the power of the purse in Federalist No. 58? This is what he said:

> The House of Representatives cannot only refuse, but they alone can propose the supplies requisite for the support of Government. They, in a word, hold the purse; that powerful instrument by which we behold, in the history of the British Constitution, an infant and humble representation of the people, gradually enlarging the sphere of its activity and importance, and finally reducing, as far as it seems to have wished, all the overgrown prerogatives of the other branches of the Government. This power over the purse may, in fact, be regarded as the most complete and effectual weapon with which any constitution can arm the immediate representatives of the people, for obtaining a redress of every grievance, and for carrying into effect every just and salutary measure.

In the Federalist No. 48, by Madison, we are told,

> . . . the legislative department alone has access to the pockets of the people.

All this is going to be changed, Mr. President, once this balanced budget amendment goes into the Constitution. If it ever becomes a part of the Constitution, much of what Madison and Hamilton have said in the Federalist Papers will have been thrust aside by today's would-be Framers. This power over the purse may, in fact, be shifted to the executive and judicial branches of Government and away from the people's representatives in Congress.

There is also a danger of too-frequent amendments to the Constitution. Hamilton warned of this in Federalist No. 49.

> . . . as every appeal to the people would carry an implication of some defect in the Government, frequent appeals would, in great measure, deprive the Government of that veneration, which time bestows on everything, and without which perhaps the wisest and freest governments would not possess the requisite stability.

So here we are, we are about to appeal to the people again by submitting to them this balanced budget constitutional amendment. The fact that the Senate has taken 30 days to deliberate on this amendment, points, Mr. President, to the utility of the Senate. This balanced budget amendment was adopted by the other body in 2 days—2 days! Including tomorrow, the balanced budget amendment will have been before the Senate for a total of 30 days. During those 30 days, Senators have debated at considerable length the entire new article, and they have found numerous flaws which, upon careful probing, were brought to light. This did not happen in the other body. It happened here because this is the U.S. Senate, where there is unlimited debate, which can only be shut off by a cloture motion or by a unanimous-consent agreement entered into by all Senators.

I believe the constitutional Framers would have been proud of the Senate in this instance. I do not know how proud they would be of the Senate, once the rollcall vote is taken tomorrow evening upon the final disposition of this glittering gewgaw of glorified garbage. That remains to be seen. I hope they will be proud of it, as they look down from above, because I hope that the amendment will be defeated.

Madison spoke of the utility of the Senate in Federalist No. 62.

> The necessity of a senate is not less indicated by the propensity of all single and numerous assemblies to yield to the impulse of sudden and violent passions, and to be seduced by factious leaders into intemperate and pernicious resolutions.

What Madison said in the Federalist No. 62 reflects exactly what took place in the House of Representatives—passage after only 2 days of debate on this amendment. Let me read Madison's words again from the Federalist No. 62.

> The necessity of a senate is not less indicated by the propensity of all single and numerous assemblies, to yield to the impulse of sudden and violent passions, and to be seduced by factious leaders, into intemperate and pernicious resolutions. . . . The mutability in the public councils, arising from a rapid succession of new members, however qualified they may be, points out, in the strongest manner, the necessity of some stable institution in the government.

And in Federalist No. 63, Madison continues to write about the utility of having a Senate. I quote:

. . . so there are particular moments in public affairs when the people, stimulated by some irregular passion, or some illicit advantage, or misled by the artful misrepresentations of interested men, may call for measures which they themselves will afterwards be the most ready to lament and condemn. In these critical moments, how salutary will be the interference of some temperate and respectable body of citizens, in order to check the misguided career and to suspend the blow meditated by the people against themselves, until reason, justice, and truth can regain their authority over the public mind? What bitter anguish would not the people of Athens have often escaped if their government had contained so provident a safeguard against the tyranny of their own passions? Popular liberty might then have escaped the indelible reproach of decreeing to the same citizens the hemlock on one day and statues on the next.

Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Chair is advised the Senator has 9 minutes remaining.

Mr. BYRD. I thank the Chair.

Mr. President, that Montesquieu or Locke or Washington or Madison or Hamilton could have believed in the fooleries contained in this constitutional amendment on the balanced budget cannot be suspected.

I should think that the amendment might very well be pronounced as the ''gunpowder plot'' against the Constitution. The Gunpowder Plot was that conspiracy which was discovered and foiled when Guy Fawkes and a group of Englishmen intended to blow up the English Parliament on November 5, 1605, the day that King James I was to address it.

Fortunately the plot was foiled. Whether or not this ''gunpowder plot'' against the Constitution will be foiled will be determined by tomorrow's vote, but I will cast one vote to help in its demise.

Mr. President, I think that about the best that can be said of the amendment is that it is a partisan, political amendment. In it we can see the ''cloven foot'' as to the intentions of most of those in the Senate who support it. It is a political amendment. It is supported by a political party, as witness the fact that all but one of the Republican Senators will very likely vote for it. Political ads have been run throughout the Nation by the Republican Party in support of it. It is a partisan amendment. That is what we are about to nail into the Constitution.

Washington, in his farewell address, warned us against putting in the place of

The delegated will of the nation the will of party, often a small but artful and enterprising minority of the community; and, according to the alternate, triumphs of different parties, to make the public administration the mirror of the ill concerted and incongruous projects of faction . . . they are likely, in the course of time and things to become potent engines, by which cunning, ambitious, and unprincipled men, will be enable to subvert the power of the people, and to usurp for themselves the reigns of government; destroying afterwards the very engines which have lifted them to unjust dominion.

Mr. President, the proponents of this amendment in the Congress are really living in a fool's paradise. They are living in a state of illusive bliss, suspended in the limbo of hypocrisy, doublespeak, double-shuffle, vanity, and nonsense. Milton spoke about the limbo of vanity in ''Paradise Lost.'' Dante wrote in his ''Divine Comedy'' that limbo was the first circle of Hell.

Mr. President, let me close by remembering some words from the ''Rubaiyat'' written by Omar Khayyam, a Persian poet of the 12th century:

The Moving Finger writes; and, having writ,
Moves on: nor all your Piety nor Wit
Shall lure it back to cancel half a Line,
Nor all your Tears wash out a Word of it.

Mr. President, I ask unanimous consent to have printed in the RECORD an editorial from the New York Times of today, February 27, titled ''Unbalanced Amendment,'' together with letters from the Secretaries of Defense; Housing and Urban Development; Education; Veterans Affairs; Health and Human Services; and Justice; and various and sundry other articles and materials that are germane to the subject of the balanced budget amendment.

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

EXECUTIVE OFFICE OF THE PRESIDENT, COUNCIL OF ECONOMIC ADVISERS,
Washington, DC, February 23, 1995.

Hon. ROBERT C. BYRD,
U.S. Senate,
Washington, DC.

DEAR SENATOR BYRD: The Council of Economic Advisers is strongly opposed to a balanced budget amendment to the Constitution. Although continued progress on deficit reduction is sound economics, a balanced budget amendment is not. As the attached opinion piece which appeared in The Washington Post two weeks ago indicates, such an amendment would eliminate the ability of the Federal budget to moderate the cyclical ups and downs of business cycles which are normal occurrences in a market economy. Indeed, a balanced budget amendment would actually require budgetary policy to aggravate the business cycle, by requiring Congress to increase taxes or cut spending whenever the economy slowed in order to avoid an increase in the deficit. Statistical analysis performed at the Council and at the Department of the Treasury indicates that the amendment would cause recessions to be substantially deeper.

With fiscal policy enjoined by a balanced budget amendment to be destabilizing rather than stabilizing, sole responsibility for moderating the business cycle would rest with the Federal Reserve. As the attached analysis indicates, even a well-intentioned and prescient Federal Reserve would not be able to play this role as well on its own as it can working in tandem with the automatic fiscal stabilizers. Moreover, in order to fulfill this responsibility, the Federal Reserve might well have to foster greater cyclical variability in interest rates, something which could have a destabilizing effect on financial markets. Finally, there is no reason to assume that Federal Reserve decisions will be influenced by the single goal of stabilizing output and employment levels. Historically, concern about inflation has been the major determinant of Federal Reserve actions. Indeed, some proponents of the balanced budget amendment have also proposed legislation that would require the Federal Reserve's only policy target to be price stability. If such legislation were also to become law, neither monetary nor fiscal policy would be available to limit the ups and downs of the business cycle and their attendant human and economic costs.

Deficit reduction can be achieved even without a balanced budget amendment. This Administration, working with the Democrats of the 103rd Congress, dramatically reduced the deficits for FY1994 and FY1995, and the budget we have just presented for FY1996 makes additional progress. If it were not for the interest owed on the debt accumulated during the 1981–92 period, the federal budget would be in balance by 1996 and headed toward surplus thereafter. Based on our projections, the Clinton Administration will be the first since the Johnson Administration to run a non-interest budget surplus for a cycle of four fiscal years. Moreover, net federal debt, after tripling during the 1980s, has now stabilized relative to the size of the economy, and the deficit is projected to decline relative to the size of the economy for at least the next ten years.

A balanced budget amendment offers only a promise to reduce the deficit—it does not reduce the deficit by a single penny. And it has the potential to cause serious economic harm. I urge you to vote against it for the economic well-being of the Nation.

Sincerely yours,

LAURA D'ANDREA TYSON,
Chair.
MARTIN N. BAILY,
Member-Nominee.
JOSEPH E. STIGLITZ,
Member.

[From the Washington Post, Feb. 7, 1995]

IT'S A RECIPE FOR ECONOMIC CHAOS

(By Laura D'Andrea Tyson)

Continued progress on reducing the deficit is sound economic policy, but a constitutional amendment requiring annual balance of the federal budget is not. The fallacy in the logic behind the balanced budget amendment begins with the premise that the size of the federal deficit is the result of conscious policy decisions. This is only partly the case. The pace of economic activity also plays an important role in determining the deficit. An economic slowdown automatically depresses tax revenues and increases government spending on such programs as unemployment compensation, food stamps and welfare.

Such temporary increases in the deficit act as ''automatic stabilizers,'' offsetting some of the reduction in the purchasing power of the private sector and cushioning the economy's slide. Moreover, they do so quickly and automatically, without the need for lengthy debates about the state of the economy and the appropriate policy response.

By the same token, when the economy strengthens again, the automatic stabilizers work in the other direction: tax revenues rise, spending for unemployment benefits and other social safety net programs falls, and the deficit narrows.

A balanced budget amendment would throw the automatic stabilizers into reverse. Congress would be required to raise tax rates or cut spending programs in the face of a recession to counteract temporary increases in

the deficit. Rather than moderating the normal ups and downs of the business cycle, fiscal policy would be required to aggravate them.

A simple example from recent economic history should serve as a cautionary tale. In fiscal year 1991, the economy's unanticipated slowdown caused actual government spending for unemployment insurance and related items to exceed the budgeted amount by $6 billion, and actual revenues to fall short of the budgeted amount by some $67 billion. In a balanced-budget world, Congress would have been required to offset the resulting shift of more than $70 billion in the deficit by a combination of tax hikes and spending cuts that by themselves would have sharply worsened the economic downturn—resulting in an additional loss of 1¼ percent of GDP and 750,000 jobs.

The version of the amendment passed by the House has no special ''escape clause'' for recessions—only the general provision that the budget could be in deficit if three-fifths of both the House and Senate agree. This is a far cry from an automatic stabilizer. It is easy to imagine a well-organized minority in either House of Congress holding this provision hostage to its particular political agenda.

In a balanced-budget world—with fiscal policy enjoined to destabilize rather than stabilize the economy—all responsibility for counteracting the economic effects of the business cycle would be placed at the doorstep of the Federal Reserve. The Fed could attempt to meet this increased responsibility by pushing interest rates down more aggressively when the economy softens and raising them more vigorously when it strengthens. But there are several reasons why the Fed would not be able to moderate the ups and downs of the business cycle on its own as well as it can with the help of the automatic fiscal stabilizers.

First, monetary policy affects the economy indirectly and with notoriously long lags, making it difficult to time the desired effects with precision. By contrast, the automatic stabilizers of fiscal policy swing into action as soon as the economy begins to slow, often well before the Federal Reserve even recognizes the need for compensating action.

Second, the Fed could become handcuffed in the event of a major recession—its scope for action limited by the fact that it can push short-term interest rates no lower than zero, and probably not even that low. By historical standards, the spread between today's short rates of 6 percent and zero leaves uncomfortably little room for maneuver. Between the middle of 1990 and the end of 1992, the Fed reduced the short-term interest rate it controls by a cumulative total of 5¼ percentage points. Even so, the economy sank into a recession from which it has only recently fully recovered—a recession whose severity was moderated by the very automatic stabilizers of fiscal policy the balanced budget amendment would destroy.

Third, the more aggressive actions required of the Fed to limit the increase in the variability of output and employment could actually increase the volatility of financial markets—an ironic possibility, given that many of the amendment's proponents may well believe they are promoting financial stability.

Finally, a balanced budget amendment would create an automatic and undesirable link between interest rates and fiscal policy. An unanticipated increase in interest rates would boost federal interest expense and thus the deficit. The balanced budget amendments under consideration would require that such an unanticipated increase in the deficit be offset within the fiscal year.

In other words, independent monetary policy decisions by the Federal Reserve would require immediate and painful budgetary adjustments. Where would they come from? Not from interest payments and not, with such short notice, from entitlement programs. Rather they would have to come from either a tax increase or from cuts or possible shutdowns in discretionary programs whose funds had not yet been obligated. This is not a sensible way to establish budgetary priorities or maintain the healthy interaction and independence of monetary and fiscal policy.

One of the great discoveries of modern economics is the role that fiscal policy can play in moderating the business cycle. Few if any members of the Senate about to vote on a balanced budget amendment experienced the tragic human costs of the Great Depression, costs made more severe by President Herbert Hoover's well intentioned but misguided efforts to balance the budget. Unfortunately the huge deficits inherited from the last decade of fiscal profligacy have rendered discretionary changes in fiscal policy in response to the business cycle all but impossible. Now many of those responsible for the massive run-up in debt during the 1980s are leading the charge to eliminate the automatic stabilizers as well by voting for a balanced budget amendment.

Instead of undermining the government's ability to moderate the economy's cyclical fluctuations by passing such an amendment, why not simply make the hard choices and cast the courageous votes required to reduce the deficit—the kind of hard choices and courageous votes delivered by members of the 103rd Congress when they passed the administration's $505 billion deficit reduction package?

THE SECRETARY OF DEFENSE,
Washington, DC, January 11, 1995.

Hon. ROBERT C. BYRD,
Committee on Appropriations,
U.S. Senate, Washington, DC.

DEAR SENATOR: Thank you for your recent letter. I join you in looking forward to working together closely on crucial matters affecting our nation's future security.

Your letter asked for my assessment of the probable and possible consequences on America's defense posture of an amendment to the Constitution requiring a balanced federal budget. Such an assessment is detailed in the enclosed statement, which was presented at a recent hearing on this subject by John Hamre, Under Secretary of Defense (Comptroller). This statement is an update of my presentation to your committee last February 15, and I strongly support its warnings. With the absence of any realistic implementation details in the amendment, [I fear that huge defense reductions are likely under a balanced budget amendment, which would fundamentally change the character of America's military posture, make our new strategy unsupportable, call into question our ability to fulfill U.S. commitments to our allies and to protect our interests worldwide, and undermine U.S. global leadership.]

I thank you for this opportunity to inject defense concerns into the debate on this critical issue facing our nation.

Sincerely,

WILLIAM J. PERRY.

STATEMENT OF UNDER SECRETARY OF DEFENSE (COMPTROLLER) JOHN J. HAMRE IN CONNECTION WITH THE BALANCED BUDGET AMENDMENT, HOUSE JUDICIARY COMMITTEE, JANUARY 10, 1995

Mr. Chairman, members of the Committee, thank you for the opportunity to appear before you today to discuss the Balanced Budget Amendment, and the likely impact that it would have on America's defense posture.

The Balanced Budget Amendment (BBA) could severely jeopardize America's national security, and that is one of the major reasons for the Administration's opposition to it. Unless legislatively exempted from reductions, defense spending could end up being the primary billpayer to make federal budgets balance, and that would fundamentally undermine the security of our nation.

If the Balanced Budget Amendment were adopted, America's defense posture would be vulnerable to two different problems: the impact on defense to reach a zero deficit and the effect on defense of the annual budget process under the BBA.

IMPACT ON DEFENSE TO GET TO A ZERO DEFICIT

(Chart 1) To illustrate the impact of getting to a zero deficit, several assumptions have to be made about the final date and provisions of the BBA. Let us assume that the year of BBA implementation if 2002, and make calculations based on the most recent deficit projections by the Congressional Budget Office. Balancing the budget on a phased basis—14 percent year in 1996 through 2002—would require a total of $1,040 billion in spending cuts and/or revenue increases.

Exactly how much the Department of Defense (DoD) would have to contribute to achieving a zero deficit would depend on how much revenue would be increased and whether entitlements would be cut. Under the worst case scenario, there would be no increase in revenue and no cuts in the entitlement programs. This means the budget would have to be balanced by cuts in discretionary spending, of which national defense represents about one half. The best case scenario assumes half of the deficit would be offset by increases in revenue and the other half proportionately to spending for entitlements and domestic and defense discretionary programs.

(Chart 2) Not reproducible in the RECORD.

(Chart 3) For national defense, the best case scenario would have a serious impact on national security. The worst case would be a disaster. Achieving these totals would entail subtantial reductions to defense people and programs, which are already downsized to the minimum acceptable level deemed necessary in the Bottom-Up Review. Our forces would become hollow and we would have to give up our quality of life initiatives such as adequate compensation for military personnel, child care programs, decent barracks and family housing and other programs that provide a sense of community and support for military families. We would have to stop the modernization and recapitalization, which is needed and planned in our current five-year budget. We would have to cut back our emphasis on science and technology and technology reinvestment programs, and thereby risk the technological edge that has always given our forces an advantage over our adversaries.

Reductions such as these would fundamentally change the character of America's military posture, make our new strategy unsupportable, call into question our ability to fulfill U.S. commitments to our allies and to protect our interests worldwide, and undermine America's global leadership.

THE ANNUAL BUDGET PROCESS UNDER THE BBA

Let me now turn to the second problem: Life under a balanced budget amendment.

What about the effect on defense of the annual budget process under the Balanced Budget Amendment? The BBA annual budget process could routinely end up removing from our elected political leaders the decision about what level of defense spending is prudent. America's defense preparedness could get determined by economic shifts, cost growth in entitlements, and other nondefense factors. Even if threats to America's

global interests were increasing or our forces deteriorating, the BBA could lead to deep defense cuts.

The fact that these consequences could be avoided with ⅗ approval of each house of Congress is scant reassurance. Preservation of an adequate defense posture would become dependent on exceptional political efforts. The BBA process would be heavily skewed in favor of cutting defense to compensate for whatever was escalating elsewhere in the budget. Even when a ⅗ majority minus one in either house believed that BBA cuts were unjustified, the minority view would prevail. Not exactly ideal for the world's most powerful democracy and best hope for future peace and stability.

The BBA would threaten frequent interruptions to the many long-term processes that are essential to maintaining a prudent defense posture. The quality and morale of our people must be continually nurtured, and would be devastated by rapid and deep cuts in end strength. Our military and civilian professionals require extensive training and experience. We cannot recruit and retain top-notch military and civilian professionals, if they are vulnerable to summary dismissal.

Repair parts must be ordered three years ahead of anticipated use, in order to ensure the readiness of U.S. forces. Many years of research and development are needed to ensure that our forces are never outgunned or outmaneuvered. The average major weapons procurement program requires 8 years of development and testing. Production lines are necessarily set up anticipating stable procurement rates; they cannot be stopped and started, in order to offset a downturn in revenues or surge in entitlements. Because of the long-lead times needed for our weapons systems, DoD is unique among executive departments in that we must have detailed five-year plans incorporating them. It would be extremely costly, and essentially unworkable, to turn on and off defense programs, when the BBA forced deep budget cuts.

In sum, budgeting under BBA would inject great uncertainty and chaos into defense planning, which needs to have stability and a long-term perspective.

(Chart 4) Small changes in the U.S. economy would mean even bigger budget problems. Using the CBO rule of thumb, a one percent rise per year in interest rates would increase the federal budget deficit $5 billion in the first year and 108 billion over five years. A one percent fall per year in real growth in the economy would increase the deficit $9 billion in the first year and $289 billion over five years. Thus under the BBA, even modest changes in the economy could trigger sweeping cuts to federal programs.

CLOSING

The Balanced Budget Amendment addresses a very important issue, but it would dramatically complicate our ability to plan for and manage a strong Department of Defense.

Defense programs would be especially vulnerable under the BBA, because DoD accounts for about half of all discretionary spending. And that is critical because the BBA has no implementation details. Unless the BBA becomes a vehicle by which revenues are increased or entitlements cut, DoD could well have to pay for half of every dollar of deficit reduction.

DoD budget authority, in real terms, has been in decline since FY 1985. We have finally reached the end of our builddown. It would be dangerous to continue to downsize our forces at this time. The Balanced Budget Amendment would cut defense spending to whatever level its arbitrary formula dictated, and thereby displace the carefully considered judgments of Members of Congress, Presidents, and civilian and military leaders as to what spending is necessary and wise. I do not believe such an approach to questions of national security would serve America well.

IMPACT ON DEFENSE TO GET TO A ZERO DEFICIT

In order to assess the impact on DOD, assumptions have to be made about final date and provisions of the balanced budget amendment:

	Assumption
Year of implementation	2002.
Projected deficit at implementation	Current budget projection.
Will revenue be increased?	If yes, 50%/50% revenue/spending.
Will entitlements be cut?	If yes, in proportion to outlays.

IMPACT OF CUTS ON NATIONAL DEFENSE

Make substantial reductions to military and civilian personnel.

Return to "Hollow Forces."

Cancel Quality of Life Initiatives.

Stop planned modernization and recapitalization.

Cut back on science and technology.

Cancel technology and reinvestment programs.

Fundamentally change U.S. military posture.

Undermine U.S. commitments to allies.

Small Economic Changes Mean Big Budget Problems

Modest changes in the economy would necessitate sweeping program cuts.

CBO RULE OF THUMB

[In billions of dollars]

	Deficit impact	
	First year	5-Years
1 percent rise in interest rates	5	108
1 percent fall in real growth	9	289

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT, THE SECRETARY,

Washington DC, February 8, 1995.

Senator ROBERT BYRD,

Ranking Minority Member, Committee on Appropriations, U.S. Senate, Washington, DC.

DEAR SENATOR BYRD: This letter presents the views of the Department of Housing and Urban Development on the proposed balanced budget amendment, House Joint Resolution 1. We are opposed to the proposed balanced budget amendment because it is unnecessary and could undermine important functions of this Department.

We certainly support the intended goal of reducing the federal deficit. Indeed, in 1993 the President joined with Members of Congress to enact the largest deficit reduction bill in history. The Administration looks forward to continuing to work with Congress on deficit reduction.

At the Department of Housing and Urban Development, we have established basis spending priorities to guide our decisions in preparing budgets for FY 96 and beyond. We have made our own hard choices and tough spending cuts in developing our proposed "Reinvention Blueprint", which would consolidate 60 programs into three programs and accomplish $800 million in administrative savings alone over the next five years. Further program reforms and budget economies to be announced February 6, 1995 will show five year savings at HUD of $51 billion in budget authority and $13 billion in outlays. In addition, we have already generated savings through a reorganization of our field structure to eliminate an entire layer of regional management. We have found many ways to do more with less people through service-oriented, performance-driven, results management, and partnerships with communities and the people we serve.

The proposed balanced budget amendment would create havoc with our budget decisions and program management. It could have a devastating impact on HUD's mission of service to the American people and communities. For example, our Department worked very hard to provide emergency relief to the victims of natural disasters such as the Southern California earthquake, the Midwest floods, Hurricane Andrew in Florida and Hurricane Iniki in Hawaii. Our ability to respond rapidly and effectively to emergencies could be severely curtailed by the balanced budget amendment. The amendment's requirement of a three-fifths vote could cause long delays, severe hardship, and perhaps even irreparable harm for the many people that will lose their homes and urgently need adequate housing in these emergency situations.

While we support the goal of a balanced budget, the proposals under consideration to achieve a balanced budget by the year 2002 could require an unprecedented level of reductions in our programs. It is our understanding that, if social security and defense are exempt from reductions and the tax cuts in the Contract with America are enacted, the remaining Federal programs will have to be reduced by more than 30 percent in FY 2002. For HUD, this would mean a cut of about $10 billion in one year alone. Assuming that reductions of this magnitude would be evenly spread across agencies and accounts, the effect on HUD programs would be devastating. For example, low-income rental assistance, which in the President's Budget would already be declining at the end of the century, would suffer severely, putting thousands more families at risk of homelessness, and our capacity to assist the already homeless would be crippled. A cut of 30 percent—$1.4 billion—in Community Opportunity Performance Funds (CDBG), would be a major blow to cities and communities across the nation who depend on the grant to support low-income job creation and infrastructure.

HUD has taken a disciplined, fiscally responsible, creative approach to achieving our key priorities. We have proposed dramatic, sweeping changes in the way the Department is structured and operates. Implementation of our Reinvention Blueprint would make HUD a more customer-driven, cost-effective, entrepreneurial organization. With consolidation of existing programs into performance-based funds, the focus would be on serving people and communities and producing better outcomes at significantly less cost.

This Administration has made great strides in reducing the size of the Federal budget and HUD has contributed to that effort. We must continue these efforts, but we must be prudent and produce real results, not simply crowd-pleasing rhetoric.

I am committed to working with the Congress to produce savings through further responsible program rescissions, reductions and reforms.

Sincerely,

HENRY G. CISNEROS.

U.S. DEPARTMENT OF EDUCATION,
THE SECRETARY,

Washington, DC, February 22, 1995.

Hon. ROBERT C. BYRD,

Committee on Appropriations, U.S. Senate, Washington, DC.

DEAR SENATOR BYRD: Thank you for your recent call and your inquiry concerning the possible impact of a balanced budget amendment to the Constitution on the operation of Federal education programs. I have set out some examples of the effect of the implementation of such an amendment on education programs.

I am informed by reliable analysts that if we assume that Social Security and National Defense Expenditures are exempted from the reductions in Federal spending required to comply with a balanced budget amendment, all other Federal programs could be subject to an estimated 30 percent reduction from the 1995 appropriated level.

Based on these assumptions, the following are some specific examples of how these reductions could affect Department of Education programs:

Financial aid for college—the surest route to the middle class American dream—would be slashed. A 30 percent cut would require a $2 billion cut in Pell Grant funding, eliminating awards to nearly 300,000 students and reducing the average award to the remaining 3.5 million students from $1,548 to $1,218. The termination of loan interest subsidies for 3 million low-income students and their families could increase borrowing costs by as much as 20 percent over the life of their loans. Support for the Supplemental Educational Opportunity Grant and Work-Study programs would decline by $360 million, eliminating awards to more than 500,000 needy postsecondary students. These cuts would effectively reverse 30 years of progress in expanding postsecondary education opportunity.

Goals 2000 and School-to-Work Opportunities. Reform efforts now under way in nearly all States would be dramatically scaled back, forcing the Nation to significantly reduce its commitment to high standards for all students. Under Goals 2000, for example, 45 States and 5 territories and thousands of communities are working hard to improve their schools, and are counting on these Federal dollars to help implement their education reform plans.

Title I Grants to Local Educational Agencies. The $2 billion cut required by a balanced budget amendment could reduce assistance to over 6 million economically disadvantaged elementary and secondary school students, or even terminate services altogether to as many as 2 million students. Title I helps low-achieving children, particularly those in high-poverty schools, meet the same challenging academic content and performance standards expected of all children.

Special Education Grants to States. Federal assistance in meeting the extra costs of serving over 5.6 million children with disabilities could drop from $426 to $298 per eligible child. Similar reductions for preschool and early intervention programs could lead many States to stop serving younger children with disabilities, a step that could only increase the need for more expensive services in later years.

Impact Aid. For this program, there could be a 30 percent reduction in Federal support for paying the operating costs of school districts enrolling large numbers of Federally connected children. Districts heavily dependent on such support could be forced to undertake such actions as furloughing or laying off teachers or shortening the length of the school year.

All of these serious reductions in Federal support for education could come at a time when international economic competition demands ever higher skill levels from American workers, and when our civic life and democracy demands better educated citizens. It is absolutely the wrong time to take any steps that might reduce our investment in education. I hope that this information will aid your efforts to place the full implications of such an amendment before the Members of the United States Senate.

Yours sincerely,

RICHARD W. RILEY.

THE SECRETARY OF VETERANS AFFAIRS,

Washington, DC, January 30, 1995.

Hon. ROBERT C. BYRD,

Ranking Minority Member, Committee on Appropriations, U.S. Senate, Washington, DC.

DEAR SENATOR BYRD: This is in response to your request for information on the potential effect on VA programs of the Balanced Budget Amendment that is soon to be considered on the Senate floor. I appreciate the need for continuing efforts to reduce federal deficits and support the goal of a balanced budget. However, I am extremely worried about how the current proposal would affect veterans and their families.

The proponents of the amendment have refused to indicate what spending cuts they would make in order to eliminate the deficit by fiscal year 2002. Nevertheless, many of the amendment's proponents have indicated what they will not do to eliminate the deficit: reduce Social Security and increase taxes. At the same time, they are promising to create new deficit pressures by increasing defense spending and actually reducing taxes, again without showing how they would offset the enormous costs involved in their initiatives. But despite the fundamental nature of the federal government's commitment to our veterans, Balanced Budget Amendment proponents have left VA programs on the table—subject to tremendous, inevitable pressures that the amendment will create to cut unprotected programs.

It is my understanding that, if Social Security and defense are exempt from reductions and the tax cuts in the Contract With America are enacted, then remaining federal programs will have to be reduced by more than 30 percent in FY 2002. Assuming, in the current absence of specifics, that such a reduction would be applied across the board, it would have a devastating effect on veterans' programs.

A 30-percent reduction to the Veterans Health Administration would prohibit us from providing health care services to many of those whom we now treat. A reduction in full-time-equivalent employees (FTEE) of 63,000 in 2002 could be expected and we would be able to treat 488,000 fewer inpatients and accommodate 11,403,000 fewer outpatient visits. The cutbacks could mean the closing of many VA hospitals, outpatient clinics, and nursing homes. In fact, the viability of the VA as a national health-care system for veterans could be threatened. It certainly could not be maintained on the same scale as today's system, and the Department's ability to maintain the current high level of quality care could be severely damaged.

Similarly, our Regional Offices could suffer a reduction of 3,000 FTEE, which might make it impossible for us to process veterans' claims for benefits in a timely way. Likewise, operations in the National Cemetery System might have to be severely curtailed; impairing our ability to bury veterans with dignity.

The many benefit programs that VA administers for disabled veterans could also be subject to deep cuts. As an example, certain severely disabled veterans who receive compensation for service-connected disabilities would, under current policy, be receiving approximately $42,400 per year by 2002. A 30-percent reduction in such a veteran's earned benefit would amount to $12,721 for that year. This is hardly an appropriate response for a grateful nation.

Our pension program for non-service-disabled wartime veterans is designed to keep these disabled veterans from living a life of abject poverty. A 30-percent cut in 2002 would result in a loss of up to $4,790 for the neediest of veterans, and would force nearly all VA pension recipients below the poverty line.

Thank you for this opportunity to share with you my concerns regarding the Balanced Budget Amendment. As always, I greatly appreciate your concern for and support of veterans and their families.

Sincerely,

JESSE BROWN.

THE SECRETARY OF HEALTH AND HUMAN SERVICES,

Washington, DC, January 30, 1995.

Hon. ROBERT C. BYRD,

Ranking Minority Member, Committee on Appropriations, U.S. Senate, Washington, DC.

DEAR SENATOR BYRD: Much has been said and written about adding a balanced budget amendment to the United States Constitution, but I want to make sure that the American people and the members of Congress fully understand what such an amendment could mean for the people served by the Department of Health and Human Services.

Let me be clear: While we support the goal of a balanced budget, the proposals under consideration by the Congress to achieve a balanced budget by the year 2002 could require an unprecedented level of reductions in our programs—including Medicare, Head Start, NIH research, and Medicaid.

If reductions to Social Security and defense spending are taken off the table and the tax cuts included in Contract With America are adopted, then all other domestic programs, including those at HHS, would have to be reduced by over 30 percent. This magnitude of reduction could threaten the affordable, high-quality health care our elderly have come to expect, jeopardize the critical research performed by our National Institutes of Health, and drive millions more families into poverty.

Applying a 30 percent reduction to the Medicare program to achieve the Balanced Budget Amendment goals could mean cuts of over $100 billion in the year 2002 alone. If Congress required beneficiaries to absorb the full cost, it would be the equivalent of charging an additional $215 a month to maintain the Medicare program in addition to the current projected Part B premium in 2002 of $59 a month. If these Medicare premiums are deducted from Social Security checks, this would mean a 25 percent reduction in the average beneficiary's Social Security check each month. For the one-in-four elderly Americans who rely almost solely on their Social Security check for their income, this is a painful loss.

If Congress instead chooses to cut the $100 billion from medical providers, then one of two things could happen: Providers may accept fewer Medicare beneficiaries as patients, or they may shift the costs to their non-Medicare business. This could increase private sector health costs by over 10 percent.

For Medicaid, balancing the budget could require over $55 billion in cuts in the year 2002 alone. Because Medicaid is a Federal/State partnership, cuts in the Federal budget could force States to make up the cuts either with increased State spending or through reduced support to the Medicaid program. Either approach simply shifts the burdens to the States. Moreover, States could have to choose between cutting services or coverage to either the elderly, disabled or poor mothers and their children.

Other key HHS programs could be harmed by a balanced budget amendment. For example, Head Start local programs could be forced to discontinue services to almost a quarter of a million children. The National Institutes of Health could lose $3.5 billion. This would be equivalent to eliminating the

entire National Cancer Institute; the National Heart, Lung and Blood Institute; and about half of the National Institute on Neurological Disorders and Stroke.

This Administration has made great strides in reducing the size of the Federal budget deficit, and the Department of Health and Human Services has contributed its fair share, but we must proceed down the path of further deficit reduction with care and with the full knowledge of what the price will be.

Sincerely,

DONNA E. SHALALA.

U.S. DEPARTMENT OF JUSTICE,
OFFICE OF LEGISLATIVE AFFAIRS,
Washington, DC, January 27, 1995.

Hon. ROBERT BYRD,
Ranking Minority Member, Committee on Appropriations, U.S. Senate, Washington, DC.

DEAR SENATOR BYRD: We understand that the Senate will shortly turn its consideration to various proposals to amend the Constitution to require a balanced federal budget. We certainly support the intended goal of reducing the federal deficit. Indeed, in 1993, the President joined with Members of Congress to enact the largest deficit reduction bill in history. The Administration looks forward to continuing to work with Congress on deficit reduction.

Before passing a balanced budget amendment, however, the Congress should be keenly aware of the impact that such an amendment could have on the essential operations of the federal government in general, and of the Department of Justice in particular. In a word, the impact could be devastating.[1]

When the Attorney General testified before the Senate Committee on Appropriations on February 15, 1994, she stated that ''[p]ut simply, the Balanced Budget Amendment would put at risk the Justice Department's ability to fight crime. Passage of the Amendment would mean sharp reductions in all of the Department's crime fighting units.'' This is as true today as it was a year ago. We believe now, as we did then, that the American people look to the federal government for more, not less, assistance in making their communities safe, and that they will not support arbitrary cutbacks or limitations on the essential resources that are urgently needed to combat wrongdoing.

The Attorney General also noted in her statement that passage of the Balanced Budget Amendment would lead to sharp reductions—and perhaps total elimination—of federal aid to State and local law enforcement. As the Attorney General indicated, elimination of this funding would ''destroy any hope of implementing our community policing and pubic safety initiatives''—two absolutely critical goals of last year's crime bill. At a time when we are striving to assist our State and local partners in ridding the Nation's schools and streets of crime, such an outcome would be tragic—and wrong.

We have taken the liberty of enclosing a copy of the Attorney General's statement of February 15, 1994, before the Senate Appropriations Committee. It goes into considerably greater detail than this letter about the likely negative effects that passage and ratification of a Balanced Budget Amendment would have upon the Department of Justice and upon law enforcement in the United States. We recognize, of course, that, because of the passage of time, the figures cited in the Attorney General's statement are not current. For example, the effects upon the Department, as stated by the Attorney General, were based on the assumption that spending would have to be reduced by twenty percent. If a thirty percent reduction were required, the budget impact would be fifty percent greater. These considerations do not, however, alter in any way the conclusions contained in the Attorney General's statement. If anything, they reinforce them. We urge that the Senate evaluate these considerations with extreme care before acting on any of the Balanced Budget Amendments that may come before it.

Thank you for permitting us to provide our views on this important matter. If we may be of additional assistance, or if you require additional information, please do not hesitate to call upon us. The Office of Management and Budget has advised that there is no objection from the standpoint of the Administration's program to the presentation of this report.

Sincerely,

SHEILA F. ANTHONY,
Assistant Attorney General.

Enclosure.

STATEMENT OF JANET RENO, ATTORNEY GENERAL, BEFORE THE COMMITTEE ON APPROPRIATIONS FEBRUARY 15, 1994

Mr. Chairman and Members of the Committee:

INTRODUCTION

I am pleased to have this opportunity to appear before you today to testify on Senate Joint Resolution 41—the Balanced Budget Amendment. My remarks this morning will be devoted to explaining why this Amendment, which I oppose, could severely undermine the ability of the Department of Justice to fulfill its core function of fighting crime.

As everyone here is no doubt aware, the Administration is deeply committed to fighting crime and to making our streets and schools safe once again. President Clinton has made a promise to the American people to use all the resources of his Administration to reduce the rate of crime now plaguing our communities. As the President himself said last month in his State of the Union Address, ''violent crime and the fear it provokes are crippling our society, limiting personal freedom, and fraying the ties that bind us.'' Our charge is clear: to rid our society of this scourge while healing the wounds that divide us.

Members of this Committee have made a significant contribution in the fight against crime by voting for passage of a comprehensive crime bill. I salute you—and your colleagues in the Senate—for your support and dedicated efforts toward making this legislation a reality.

As Attorney General, my most important responsibility to the American people is to ensure that the laws are strictly enforced and that all the means at my disposal are utilized to their fullest extent in the fight against crime. My testimony today will focus on why the Balanced Budget Amendment—by forcing cutbacks in the very programs at the center of our anti-crime crusade—could severely undermine the Department's ability to banish violence from our homes and streets.

At the outset, let me state very clearly the basic assumptions I have made in addressing the effects of the Balanced Budget Amendment on the Department of Justice. For purposes of my analysis this morning, I have assumed that any spending cuts required by the Balanced Budget Amendment on the department of Justice. For purposes of my analysis this morning, I have assumed that any spending cuts required by the Balanced Budget Amendment would be pro-rated across all government programs; no single Cabinet Department or agency would be asked to cut any more, or any less, than any other. All would be affected equally.

Applying this basic assumption, in 1999—the earliest year the Amendment could go into effect—the total budget deficit is projected to be $201 billion. Because Department of Justice outlays are approximately 1 percent of total Federal outlays, we have estimated—again assuming that the Department will be asked to make the same percentage of spending reductions as everyone else—that the Department would be cut by $2 billion in outlays, or one percent of $201 billion. This equates to about $1.8 billion in budget authority by 1999, or approximately 20 percent of our discretionary budget authority.

Let me be blunt: If the Balanced Budget Amendment took effect today, and we were asked to cut almost $2 billion from our discretionary spending—the effects would be immediate, and they would be dire. We would feel those cuts in the very areas we are now trying to strengthen in order to win back our streets, schools and homes against escalating crime and violence.

Put simply, the Balanced Budget Amendment would put at risk the Justice Department's ability to fight crime. Passage of the Amendment would mean sharp reductions in all of the Department's crime fighting units.

THE AMENDMENT WOULD CAUSE SHARP REDUCTIONS IN ESSENTIAL DEPARTMENTAL PROGRAMS

Every single component of the Department—the FBI, the DEA, INS, the U.S. Attorneys' Offices, the U.S. Marshal's Office, the Bureau of Prisons, and other federal prosecutors—has worked hard to meet the President's FY 1995 budget. To cut them further—as the Balanced Budget Amendment would require—would not only prevent us from meeting our ambitious goals, but might result in a significant retreat from our current capabilities. Let me be more specific.

As you all well know, most of the Department's activities are funded out of a discretionary budget authority which is under the jurisdiction of the Committees On Appropriations. While the President's 1995 appropriation request for the Department includes only $103 million in mandatory appropriations, it includes a full $12.2 billion in discretionary budget authority. This portion funds the FBI, the DEA, the INS, the U.S. Marshals Offices, the U.S. Attorneys Offices, the Criminal Division, the Tax Division, the Antitrust Division, the Civil Rights Division, the Environment and Natural Resources Division and their respective litigating operations, the Bureau of Prisons, the Office of Justice Programs, and other components.

As I have already testified, we estimate that the Balanced Budget Amendment, if enacted, would require us to cut $2 billion from our discretionary programs by 1999. Using 1994 budget figures, instead of having $9.4 billion in discretionary funds to spend on crime fighting measures, we would have slightly more than seven and a half billion dollars.

Make no mistake about it: these cuts would have immediate consequences for our department. All this at a time when we are working so hard to take back our streets and to stop this devastating cycle of crime and violence.

With the public up in arms about the epidemic of crime in our communities, I am confident that no one on this Committee would want to see such draconian cuts in our crime-fighting units. Unfortunately, the Balanced Budget Amendment might leave us

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[1] Many proponents of the balanced budget proposals have stated that they would implement the balanced budget amendment without spending reductions in Social Security and national defense. If this is the case, and if the tax proposals contained in the Contract With America are adopted, all other domestic discretionary spending would have to be reduced by over 30 percent. Such reductions would be unprecedented—indeed Draconian—and would wreak havoc on the essential law enforcement programs of this Department.

with no other choice. Indeed, if forced to operate with the parameters of this Amendment, all the paths available to us would lead to one inevitable dead-end—the necessity of limiting the resources our nation so desperately needs to fight crime aggressively.

For example, one of the cornerstones of our crime-fighting program is the assistance we provide to state and local jurisdictions devoted to crime prevention. In fiscal year 1994, this assistance, most of which comes in the form of grants, will amount to nearly $1 billion. The purpose of these funds is to help our local and state law enforcement officials by supplementing their often severely limited resources, providing incentives for action in areas of critical need, and giving them the tools they need to serve their communities.

The hard, cold reality is that complying with the requirements of the Balanced Budget Amendment might mean eliminating aid to state and local law enforcement entirely. As the former prosecutor of Dade County, I learned first-hand how critically important this assistance is to holding the line against crime at the local level. I know, and President Clinton knows, that it is our local law enforcement officials, working in partnership with citizens and public interest groups, who are leading the fight to take back our streets. If that money is eliminated, it would effectively destroy any hope of forging the crucial federal-local partnerships that today must form the basis of our crime prevention efforts, and destroy any hope of implementing our community policing and public safety initiatives. In practical terms, the Balanced Budget Amendment would make it impossible to meet the President's budget request to put up to 100,000 more police officers on the street by 1999. As you know, in order to increase in 1995 the financial assistance to state and local law enforcement for purposes authorized in the Senate version of the crime bill, the President has already ''bitten the bullet'' and reallocated within the discretionary spending ceiling in order to support this new initiative.

Yet eliminating all local and state assistance measures—while a severe remedy in itself—would account for only half of the cutbacks required by the Balanced Budget Amendment. The Department would still have to eliminate approximately 11 percent of its total full-time staff funded by discretionary programs.

If instead state and local assistance were continued at a rate 20 percent below the current level, we would need to cut approximately 20,000 full-time employees, or about one-quarter of our entire full-time workstaff.

If, on the other hand, we continued the President's commitment to fund 100,000 new police, and the Balanced Budget Amendment were enacted today, the effect on the various Department components responsible for our crime prevention efforts would be catastrophic. The 20 percent reduction in our discretionary spending from 1994 resources required by the Amendment would mean:

The Federal Bureau of Investigation (FBI) would have to decrease its 1994 resources by $412.1 million and eliminate 4387 positions, including approximately 1900 agents and 2500 support staff. The Drug Enforcement Administration (DEA) would have to decrease its total resources by $145.9 million and eliminate approximately 500 agents and 600 support staff.

The impact of this reduction on these programs would be devastating. At all levels of law enforcement, essential training programs and important task forces would be eliminated. In addition, DEA's drug king-pin strategy would be crippled. Most, if not all, of the DEA's resident offices and posts of duty in small and mid-sized cities and towns would have to be closed. These effects would be felt well beyond this nation's borders, as DEA offices in drug source and transit countries would be forced to close shop.

The Immigration and Naturalization Service (INS) would need to reduce about 2400 staff members to cut $211.9 million off its budget. A reduction of this magnitude would severely curtail INS' ability to control the U.S. borders and enforce the nation's immigration laws. At a time when both the agency and the Administration have been targeting resources on controlling our borders, this would virtually shut down border patrol operations and negate all enhancements, including the increased agent strength that we achieved in 1994.

No new prisons would be built by the Bureau of Prisons (BOP), and due to lack of staff, existing institutions would have to close. Prison overcrowding would soar, to a startling 77 percent by 1999, forcing courts to mandate the release of violent offenders back onto the street. Living conditions would worsen, increasing the dangers posed to staff, inmates and the community at large.

The American people, tired of empty rhetoric and tired of escalating crime, are looking to us to provide direct and immediate action to make our communities safe once again. By passing the Balanced Budget Amendment, we would not be able to make good on the promises set forth in the crime bill. We would be saying to the American people in the same breath that while we're serious about fighting crime, we won't be able to fund the essential programs necessary to win this battle. We can not—and we should not—send such conflicting messages to the American people.

By passing the Balanced Budget Amendment, we would be gutting the heart and soul of the Senate-passed Crime Bill: the 20 percent reduction required by the Amendment would affect the Crime Control Fund like all other discretionary spending programs. For example, one of the most important initiatives included in the Crime Bill is the provision to hire 100,000 new police officers over the next five years. America's neighborhoods desperately need these new cops; more cops on the streets, working hand-in glove in their communities, means less crime. If passed today, the Balanced Budget Amendment will severely undercut our ability to put these police in the communities where they belong.

Just as important to our crime-fighting plan is the decision to build boot camps. These camps can give youths who have committed their first crime and who are at risk of drug and gang involvement the discipline, education and training they need to grab another chance for an honest life. If passed today, the Balanced Budget Amendment, however, would slash funds intended for these camps, depriving many young offenders of a chance at a new start on life.

Similarly, drug-treatment and coerced abstinence programs for criminal offenders—including residential substance abuse for prisoners—cornerstones of both the Crime Bill and the President's National Drug Control Strategy, would not be possible under a Balanced Budget Amendment. Nor could the Bill's plan to help support drug courts, drug testing and certainty of punishment for young offenders be implemented under a Balanced Budget Amendment.

Tomorrow, Assistant Attorney General Walter Dellinger will testify before this Committee on the potential impact of the Balanced Budget Amendment on the structure of the constitution, and I don't want to duplicate what he will say. I do hope, however, that you will listen very carefully to his testimony, because it will highlight another important aspect of this debate, one that merits serious consideration when you debate the merits of this Amendment.

CONCLUSION

Mr. Chairman, I hope my testimony has made this Committee more aware of just how dangerous the Balanced Budget Amendment could be for the Department and its efforts to reduce violent crime and drugs in America's streets and schools.

No one wants to see the deficit reduced more than this Administration. As the President and the Senate showed last summer, the deficit can be reduced only if we are willing to make the hard and necessary choices to control federal spending.

The Balanced Budget Amendment is not the simple cure that its proponents suggest. If it does work, it will only cause painful reductions in the very areas we are trying to bolster.

The fight against crime is not easy. It has never been easy. Hundreds of thousands of Americans each day put their lives on the line to protect their fellow-countrymen and women from the dangers of their communities. We owe it to them, and to all of us who are afraid to walk our streets at night or to attend schools during the daytime, to provide them with the resources to stamp out this epidemic of crime and restore our neighborhood security. The Balanced Budget Amendment will impede us in this effort at the very time that it is needed most. Let us not make this mistake.

Thank you for the opportunity to meet with you this morning and I'll be happy to answer any questions.

DEPARTMENT OF THE TREASURY,
Washington, DC, January 12, 1995.

Hon. HOWARD DEAN, M.D.,
Chairman, National Governors' Association, Office of the Governor, Montpelier, VT.

DEAR GOVERNOR DEAN: I write to answer your request for information on the likely effects of passage of a balanced-budget amendment, accompanied by ''Contract with America'' federal tax reductions, on state budgets and state taxes.

Enclosed is a set of estimates that Treasury staff have constructed of the possible effect on states and their finances of a constitutional amendment requiring the balancing of the federal budget in 2002, accompanied by the tax reductions mentioned above. These estimates are based on the following assumptions: (I) that the federal budget would be balanced through spending cuts, (II) that Social Security and Defense spending would not be reduced below baseline, and thus (III) that the entire burden of balancing the federal budget would be placed on non-interest, non-Social Security, non-Defense spending, as proposed methods for balancing the budget and financing various tax cuts excludes Social Security and Defense.

The estimates assume that every expenditure—interest, Social Security, and Defense aside—would be reduced relative to baseline by the same proportional amount. The estimates assume that the deficit reduction will be phased in gradually, an equal amount in each year between now and 2002. This arrangement of the spending cuts results in substantial interest savings relative to the baseline in 2002, and thus reduces the amount of non-interest spending that must be cut in 2002 to balance the budget.

Nevertheless, the cuts required in 2002 would be severe. To help balance the budget and help offset the tax reductions noted above, federal grants to states would be cut by a total of $97.8 billion in fiscal 2002. Other federal spending that directly benefits state

residents would be cut by $242.2 billion in fiscal 2002.

The cuts in grants—in Medicaid, highway funds, AFDC, and other grants—and the cuts in other spending—on Medicare and on other spending—were distributed across states proportionately to current levels of federal expenditures. Also reported is the amount by which total state taxes would have to be raised if the state wished to fully offset the reduction in federal grants.

Grants to states in the aggregate, to specific states, and to states for specific programs may be cut by more or by less than projected here. Yet, without further detail, the most reasonable method for illustrating the likely burdens on states is to assume across-the-board proportional cuts.

Note, also, that these estimates do not incorporate any significant feedback effects: it is possible that shifts in monetary policy would not be able to fully offset the downward macroeconomic impact of a balanced-budget amendment. To the extent that implementation of an amendment slows growth and reduces state revenues, the gap would be somewhat larger and the effect on state finances somewhat more severe. On the other hand, balancing the federal budget could have substantial positive effects on the U.S. economy, which would promise to raise state revenues as state economic activity increased. Such effects are not discussed here.

Note, finally, that this set of estimates is far from being a complete analysis of a balanced-budget amendment. Its principal function is to identify and evaluate the approximate impact on state government finances of a constitutional amendment that requires federal budget balance by 2002.

Sincerely yours,

JOYCE CARRIER,
Deputy Assistant Secretary for Public Liaison.

THE IMPACT OF A BALANCED-BUDGET AMENDMENT AND THE CONTRACT WITH AMERICA ON STATE FINANCES

TABLE 1.—SPENDING REDUCTIONS UNDER BALANCED BUDGET AMENDMENT

[Fiscal year 2002, Millions of dollars]

State	Cuts in grants to State Government					Required State tax increase (percent)	Cuts in other Federal spending		
	Total	Medicaid	Highway	AFDC	Other		Total	Medicare	Other
U.S. total	71,300	40,314	5,176	4,508	21,301	N.A.	176,492	77,475	99,017
Alabama	1,162	641	98	32	391	16.4	3,058	1,157	1,900
Alaska	306	89	71	19	127	9.8	576	44	532
Arizona	919	519	78	68	254	10.4	2,397	949	1,447
Arkansas	723	416	65	16	225	16.5	1,567	766	800
California	7,708	3,944	442	960	2,362	9.2	20,321	9,101	11,220
Colorado	755	387	79	36	253	11.8	2,764	721	2,044
Connecticut	1,008	587	105	63	253	11.2	1,843	1,089	755
Delaware	158	70	18	9	61	7.2	383	176	207
DC	697	183	17	24	473	20.4	4,937	313	4,624
Florida	2,656	1,520	202	170	764	10.2	9,782	5,336	4,446
Georgia	1,608	938	131	101	438	12.0	3,790	1,392	2,398
Hawaii	328	117	62	24	125	6.8	737	216	522
Idaho	254	118	33	8	95	9.9	855	218	637
Illinois	2,576	1,354	174	155	892	11.6	7,532	4,092	3,441
Indiana	1,490	956	123	54	357	13.8	2,531	1,497	1,034
Iowa	630	328	69	35	197	10.9	1,919	897	1,022
Kansas	622	355	52	29	186	13.0	1,730	819	911
Kentucky	1,157	690	69	56	341	14.5	2,111	952	1,159
Louisiana	1,966	1,500	94	48	324	27.8	2,361	1,066	1,296
Maine	452	279	28	24	121	17.5	717	385	331
Maryland	1,125	581	83	65	396	9.9	6,253	1,377	4,876
Massachusetts	1,915	1,073	248	135	459	12.6	4,683	2,449	2,234
Michigan	2,477	1,355	140	229	753	13.2	4,988	3,333	1,655
Minnesota	1,177	679	102	83	314	9.4	2,547	1,123	1,424
Mississippi	864	496	61	24	282	20.8	1,672	713	959
Missouri	1,316	747	109	62	398	15.5	3,942	1,781	2,161
Montana	277	123	52	12	89	19.8	744	218	526
Nebraska	388	192	44	23	129	13.3	1,213	482	732
Nevada	227	116	32	11	68	6.2	1,005	258	747
New Hampshire	212	112	31	11	58	17.6	563	270	293
New Jersey	2,476	1,500	141	129	705	12.7	4,653	2,894	1,759
New Mexico	524	233	70	28	193	12.9	2,117	321	1,796
New York	8,181	5,442	274	535	1,930	17.4	11,058	6,876	4,182
North Carolina	1,697	1,025	136	95	441	11.1	3,217	1,432	1,785
North Dakota	229	105	35	8	81	19.7	563	231	332
Ohio	2,826	1,718	170	212	727	14.4	6,007	3,442	2,565
Oklahoma	770	424	51	51	244	12.4	2,110	934	1,177
Oregon	706	342	54	47	263	12.2	1,976	833	1,143
Pennsylvania	3,057	1,767	211	178	901	12.7	8,555	5,120	3,435
Rhode Island	430	255	42	23	109	21.4	619	347	272
South Carolina	1,003	644	68	31	260	14.3	2,217	682	1,535
South Dakota	231	103	39	6	82	24.7	577	205	372
Tennessee	1,537	989	78	60	411	19.5	3,845	1,349	2,496
Texas	4,167	2,520	340	147	1,159	14.0	10,758	4,280	6,479
Utah	422	190	49	22	160	11.4	1,078	235	842
Vermont	207	89	37	13	68	17.4	301	150	151
Virginia	1,005	490	72	49	393	8.2	6,073	1,374	4,699
Washington	1,318	730	117	126	346	8.4	3,569	1,107	2,463
West Virginia	765	488	45	32	199	20.6	1,209	600	608
Wisconsin	1,250	694	111	96	349	10.3	2,480	1,503	977
Wyoming	218	55	38	8	118	18.7	286	96	191
State total:	70,172	40,271	5,093	4,480	20,328	12.6	172,792	77,199	95,593
Undist. & Terr.	1,127	43	83	28	973	N.A.	3,700	276	3,424

TABLE 2.—SPENDING REDUCTIONS UNDER CONTRACT WITH AMERICA

[Fiscal year, millions of dollars]

State	Cuts in grants to State Governments					Required State tax increase (percent)	Cuts in other Federal spending		
	Total	Medicaid	Highway	AFDC	Other		Total	Medicare	Other
U.S. total	97,825	55,312	7,102	6,185	29,226	N.A.	242,151	106,298	135,854
Alabama	1,594	879	135	44	536	22.5	4,195	1,588	2,608
Alaska	420	123	98	26	174	13.5	790	60	730
Arizona	1,261	712	108	93	348	14.2	3,288	1,302	1,986
Arkansas	992	571	90	23	309	22.7	2,150	1,052	1,098
California	10,576	5,412	607	1,317	3,241	12.6	27,880	12,486	15,394
Colorado	1,036	531	108	49	347	16.2	3,793	989	2,804
Connecticut	1,383	805	145	86	348	15.4	2,529	1,494	1,035
Delaware	217	97	25	12	83	9.8	526	241	284
DC	956	252	23	32	650	27.9	6,774	429	6,345
Florida	3,644	2,086	277	233	1,048	14.0	13,421	7,321	6,100
Georgia	2,206	1,286	180	138	601	16.5	5,200	1,910	3,290
Hawaii	450	161	85	32	172	9.3	1,012	296	716
Idaho	349	162	46	11	131	13.6	1,173	299	874
Illinois	3,534	1,858	239	213	1,224	15.9	10,334	5,614	4,721
Indiana	2,044	1,312	168	74	490	18.9	3,473	2,054	1,419

TABLE 2.—SPENDING REDUCTIONS UNDER CONTRACT WITH AMERICA—Continued

[Fiscal year, millions of dollars]

State	Cuts in grants to State Governments					Required State tax increase (percent)	Cuts in other Federal spending		
	Total	Medicaid	Highway	AFDC	Other		Total	Medicare	Other
Iowa	864	451	95	48	270	15.0	2,633	1,231	1,402
Kansas	853	487	71	40	255	17.8	2,374	1,124	1,249
Kentucky	1,587	947	95	77	468	19.8	2,896	1,306	1,590
Louisiana	2,697	2,059	129	66	444	38.2	3,240	1,462	1,778
Maine	621	383	38	33	166	24.0	983	529	454
Maryland	1,543	798	113	89	543	13.5	8,579	1,889	6,690
Massachusetts	2,627	1,472	340	185	630	17.3	6,425	3,360	3,065
Michigan	3,398	1,859	192	314	1,034	18.1	6,844	4,572	2,271
Minnesota	1,615	931	139	113	431	13.0	3,494	1,541	1,954
Mississippi	1,185	681	84	33	387	28.5	2,294	978	1,316
Missouri	1,806	1,025	149	85	547	21.2	5,408	2,444	2,965
Montana	380	169	71	17	123	27.1	1,021	298	722
Nebraska	533	264	60	31	177	18.3	1,665	661	1,004
Nevada	312	159	44	15	94	8.6	1,379	354	1,025
New Hampshire	291	154	43	16	79	24.1	773	370	403
New Jersey	3,397	2,059	194	177	968	17.5	6,384	3,971	2,413
New Mexico	719	320	96	38	265	17.6	2,904	440	2,464
New York	11,225	7,466	376	734	2,649	23.8	15,172	9,435	5,738
North Carolina	2,329	1,406	187	130	605	15.2	4,414	1,965	2,449
North Dakota	314	144	48	10	111	27.0	773	317	455
Ohio	3,878	2,358	233	290	997	19.8	8,242	4,722	3,520
Oklahoma	1,056	582	70	69	335	17.0	2,896	2,281	1,615
Oregon	969	469	75	65	361	16.8	2,711	1,143	1,568
Pennsylvania	4,194	2,424	290	244	1,237	17.4	11,738	7,025	4,713
Rhode Island	590	350	58	32	150	29.3	849	476	373
South Carolina	1,376	883	94	42	357	19.6	3,042	935	2,106
South Dakota	316	142	53	9	113	33.8	792	281	511
Tennessee	2,109	1,357	107	82	563	26.7	5,275	1,850	3,425
Texas	5,717	3,457	466	202	1,591	19.2	14,761	5,872	8,889
Utah	579	261	68	31	220	15.6	1,479	323	1,156
Vermont	284	122	51	18	93	23.9	413	206	207
Virginia	1,379	673	99	68	539	11.2	8,332	1,885	6,447
Washington	1,809	1,001	161	172	474	11.5	4,897	1,518	3,379
West Virginia	1,049	670	62	44	273	28.3	1,658	824	835
Wisconsin	1,716	952	153	132	479	14.2	3,402	2,062	1,340
Wyoming	300	75	52	10	162	25.7	393	131	262
State total	96,278	55,253	6,988	6,147	27,891	17.3	237,075	105,919	131,155
Undist. & Terr.	1,547	59	114	38	1,335	N.A.	5,077	378	4,698

THE IMPACT OF A BALANCED BUDGET AMENDMENT AND THE CONTRACT WITH AMERICA ON THE STATE OF ALABAMA [1]

I. A Balanced Budget Amendment would reduce annual Federal grants to the Alabama state government by $1.2 billion.

$641 million per year in lost funding for Medicaid.

$98 million per year in lost highway trust fund grants.

$32 million per year in lost funding for welfare (AFDC).

$391 million per year in lost funding for education, job training, the environment, housing, and other areas.

Alabama would have to increase state taxes by 16.4 percent across-the-board to make up for the loss in grants.

II. A Balanced Budget Amendment combined with the ''Contract with America'' tax cuts would require even deeper spending cuts, thereby reducing annual Federal grants to the Alabama state government by $1.6 billion.

$879 million per year in lost funding for Medicaid.

$135 million per year in lost highway trust fund grants.

$44 million per year in lost funding for welfare (AFDC).

$536 million per year in lost funding for education, job training, the environment, housing, and other areas.

Alabama would have to increase state taxes by 22.5 percent across-the-board to make up for the loss in grants.

III. A Balanced Budget Amendment and the ''Contract with America'' tax cuts would reduce other annual Federal spending in Alabama by $4.2 billion.

$1.6 billion per year in Medicare benefits.

$2.6 billion per year in other spending including housing assistance, student loans, veteran's benefits, and grants to local governments.

[1] For all calculations, a balanced budget is achieved by FY 2002 through across-the-board spending cuts that exclude defense and social security.

THE IMPACT OF A BALANCED BUDGET AMENDMENT AND THE CONTRACT WITH AMERICA ON THE STATE OF ALASKA

I. A Balanced Budget Amendment would reduce annual Federal grants to the Alaska state government by $306 million.

$89 million per year in lost funding for Medicaid.

$71 million per year in lost highway trust fund grants.

$19 million per year in lost funding for welfare (AFDC).

$127 million per year in lost funding for education, job training, the environment, housing, and other areas.

Alaska would have to increase state taxes by 9.8 percent across-the-board to make up for the loss in grants.

II. A Balanced Budget Amendment combined with the ''Contract with America'' tax cuts would require even deeper spending cuts, thereby reducing annual Federal grants to the Alaska state government by $420 million.

$123 million per year in lost funding for Medicaid.

$98 million per year in lost highway trust fund grants.

$26 million per year in lost funding for welfare (AFDC).

$174 million per year in lost funding for education, job training, the environment, housing, and other areas.

Alaska would have to increase state taxes by 13.5 percent across-the-board to make up for the loss in grants.

III. A Balanced Budget Amendment and the ''Contract with America'' tax cuts would reduce other annual Federal spending in Alaska by $790 million.

$60 million per year in Medicare benefits.

$730 million per year in other spending including housing assistance, student loans, veteran's benefits, and grants to local governments.

THE IMPACT OF A BALANCED BUDGET AMENDMENT AND THE CONTRACT WITH AMERICA ON THE STATE OF ARIZONA

I. A Balanced Budget Amendment would reduce annual Federal grants to the Arizona state government by $919 million.

$519 million per year in lost funding for Medicaid.

$78 million per year in lost highway trust fund grants.

$68 million per year in lost funding for welfare (AFDC).

$254 million per year in lost funding for education, job training, the environment, housing, and other areas.

Arizona would have to increase state taxes by 10.4 percent across-the-board to make up for the loss in grants.

II. A Balanced Budget Amendment combined with the ''Contract with America'' tax cuts would require even deeper spending cuts, thereby reducing annual Federal grants to the Arizona state government by $1.3 billion.

$712 million per year in lost funding for Medicaid.

$108 million per year in lost highway trust fund grants.

$93 million per year in lost funding for welfare (AFDC).

$348 million per year in lost funding for education, job training, the environment, housing, and other areas.

Arizona would have to increase state taxes by 14.2 percent across-the-board to make up for the loss in grants.

III. A Balanced Budget Amendment and the ''Contract with America'' tax cuts would reduce other annual Federal spending in Arizona by $3.3 billion.

$1.3 billion per year in Medicare benefits.

$2.0 billion per year in other spending including housing assistance, student loans, veteran's benefits, and grants to local governments.

THE IMPACT OF A BALANCED BUDGET AMENDMENT AND THE CONTRACT WITH AMERICA ON THE STATE OF ARKANSAS

I. A Balanced Budget Amendment would reduce annual Federal grants to the Arkansas state government by $723 million.

$416 million per year in lost funding for Medicaid.

$65 million per year in lost highway trust fund grants.

$16 million per year in lost funding for welfare (AFDC).

$225 million per year in lost funding for education, job training, the environment, housing, and other areas.

Arkansas would have to increase state taxes by 16.5 percent across-the-board to make up for the loss in grants.

II. A Balanced Budget Amendment combined with the ''Contract with America'' tax cuts would require even deeper spending cuts, thereby reducing annual Federal grants to the Arkansas state government by $992 million.

$571 million per year in lost funding for Medicaid.

$90 million per year in lost highway trust fund grants.

$23 million per year in lost funding for welfare (AFDC).

$309 million per year in lost funding for education, job training, the environment, housing, and other areas.

Arkansas would have to increase state taxes by 22.7 percent across-the-board to make up for the loss in grants.

III. A Balanced Budget Amendment and the ''Contract with America'' tax cuts would reduce other annual Federal spending in Arkansas by $2.1 billion.

$1.1 billion per year in Medicare benefits.

$1.1 billion per year in other spending including housing assistance, student loans, veteran's benefits, and grants to local governments.

THE IMPACT OF A BALANCED BUDGET AMENDMENT AND THE CONTRACT WITH AMERICA ON THE STATE OF CALIFORNIA

I. A Balanced Budget Amendment would reduce annual Federal grants to the California state government by $7.7 billion.

$3.9 billion per year in lost funding for Medicaid.

$442 million per year in lost highway trust fund grants.

$960 million per year in lost funding for welfare (AFDC).

$2.4 billion per year in lost funding for education, job training, the environment, housing, and other areas.

California would have to increase state taxes by 9.2 percent across-the-board to make up for the loss in grants.

II. A Balanced Budget Amendment combined with the ''Contract with America'' tax cuts would require even deeper spending cuts, thereby reducing annual Federal grants to the California state government by $10.6 billion.

$5.4 billion per year in lost funding for Medicaid.

$607 million per year in lost highway trust fund grants.

$1.3 billion per year in lost funding for welfare (AFDC).

$3.2 billion per year in lost funding for education, job training, the environment, housing, and other areas.

California would have to increase state taxes by 12.6 percent across-the-board to make up for the loss in grants.

III. A Balanced Budget Amendment and the ''Contract with America'' tax cuts would reduce other annual Federal spending in California by $27.9 billion.

$12.5 billion per year in Medicare benefits.

$15.4 billion per year in other spending including housing assistance, student loans, veterans' benefits, and grants to local governments.

THE IMPACT OF A BALANCED BUDGET AMENDMENT AND THE CONTRACT WITH AMERICA ON THE STATE OF COLORADO

I. A Balanced Budget Amendment would reduce annual Federal grants to the Colorado state government by $755 million.

$387 million per year in lost funding for Medicaid.

$79 million per year in lost highway trust fund grants.

$36 million per year in lost funding for welfare (AFDC).

$253 million per year in lost funding for education, job training, the environment, housing, and other areas.

Colorado would have to increase state taxes by 11.8 percent across-the-board to make up for the loss in grants.

II. A Balanced Budget Amendment combined with the ''Contract with America'' tax cuts would require even deeper spending cuts, thereby reducing annual Federal grants to the Colorado state government by $1.0 billion.

$531 million per year in lost funding for Medicaid.

$108 million per year in lost highway trust fund grants.

$49 million per year in lost funding for welfare (AFDC).

$347 million per year in lost funding for education, job training, the environment, housing, and other areas.

Colorado would have to increase state taxes by 16.2 percent across-the-board to make up for the loss in grants.

III. A Balanced Budget Amendment and the ''Contract with America'' tax cuts would reduce other annual Federal spending in Colorado by $3.8 billion.

$989 million per year in Medicare benefits.

$2.8 billion per year in other spending including housing assistance, student loans, veterans' benefits, and grants to local governments.

THE IMPACT OF A BALANCED BUDGET AMENDMENT AND THE CONTRACT WITH AMERICA ON THE STATE OF CONNECTICUT

I. A Balanced Budget Amendment would reduce annual Federal grants to the Connecticut state government by $1.0 billion.

$587 million per year in lost funding for Medicaid.

$105 million per year in lost highway trust fund grants.

$63 million per year in lost funding for welfare (AFDC).

$253 million per year in lost funding for education, job training, the environment, housing, and other areas.

Connecticut would have to increase state taxes by 11.2 percent across-the-board to make up for the loss in grants.

II. A Balanced Budget Amendment combined with the ''Contract with America'' tax cuts would require even deeper spending cuts, thereby reducing annual Federal grants to the Connecticut state government by $1.4 billion.

$805 million per year in lost funding for Medicaid.

$145 million per year in lost highway trust fund grants.

$86 million per year in lost funding for welfare (AFDC).

$348 million per year in lost funding for education, job training, the environment, housing, and other areas.

Connecticut would have to increase state taxes by 15.4 percent across-the-board to make up for the loss in grants.

III. A Balanced Budget Amendment and the ''Contract with America'' tax cuts would reduce other annual Federal spending in Connecticut by $2.5 billion.

$1.5 billion per year in Medicare benefits.

$1.0 billion per year in other spending including housing assistance, student loans, veterans' benefits, and grants to local governments.

THE IMPACT OF A BALANCED BUDGET AMENDMENT AND THE CONTRACT WITH AMERICA ON THE STATE OF DELAWARE

I. A Balanced Budget Amendment would reduce annual Federal grants to the Delaware state government by $158 billion.

$70 million per year in lost funding for Medicaid.

$18 million per year in lost highway trust fund grants.

$9 million per year in lost funding for welfare (AFDC).

$61 million per year in lost funding for education, job training, the environment, housing, and other areas.

Delaware would have to increase state taxes by 7.2 percent across-the-board to make up for the loss in grants.

II. A Balanced Budget Amendment combined with the ''Contract with America'' tax cuts would require even deeper spending cuts, thereby reducing annual Federal grants to the Delaware state government by $217 million.

$97 million per year in lost funding for Medicaid.

$25 million per year in lost highway trust fund grants.

$12 million per year in lost funding for welfare (AFDC).

$83 million per year in lost funding for education, job training, the environment, housing, and other areas.

Delaware would have to increase state taxes by 9.8 percent across-the-board to make up for the loss in grants.

III. A Balanced Budget Amendment and the ''Contract with America'' tax cuts would reduce other annual Federal spending in Delaware by $526 million.

$241 million per year in Medicare benefits.

$284 million per year in other spending including housing assistance, student loans, veterans' benefits, and grants to local governments.

THE IMPACT OF A BALANCED BUDGET AMENDMENT AND THE CONTRACT WITH AMERICA ON THE DISTRICT OF COLUMBIA

I. A Balanced Budget Amendment would reduce annual Federal grants to the D.C. government by $697 million.

$183 million per year in lost funding for Medicaid.

$17 million per year in lost highway trust fund grants.

$24 million per year in lost funding for welfare (AFDC).

$473 million per year in lost funding for education, job training, the environment, housing, and other areas.

D.C. would have to increase state taxes by 20.4 percent across-the-board to make up for the loss in grants.

II. A Balanced Budget Amendment combined with the ''Contract with America'' tax cuts would require even deeper spending cuts, thereby reducing annual Federal grants to the D.C. government by $956 million.

$252 million per year in lost funding for Medicaid.

$23 million per year in lost highway trust fund grants.

$32 million per year in lost funding for welfare (AFDC).

$650 million per year in lost funding for education, job training, the environment, housing, and other areas.

D.C. would have to increase state taxes by 27.9 percent across-the-board to make up for the loss in grants.

III. A Balanced Budget Amendment and the ''Contract with America'' tax cuts would reduce other annual Federal spending in DC by $6.8 billion.

$429 million per year in Medicare benefits.

$6.3 billion per year in other spending including housing assistance, student loans, veterans' benefits, and grants to local governments.

THE IMPACT OF A BALANCED BUDGET AMENDMENT AND THE CONTRACT WITH AMERICA ON THE STATE OF FLORIDA

I. A Balanced Budget Amendment would reduce annual Federal grants to the Florida state government by $2.7 billion.

$1.5 billion per year in lost funding for Medicaid.

$202 million per year in lost highway trust fund grants.

$170 million per year in lost funding for welfare (AFDC).

$764 million per year in lost funding for education, job training, the environment, housing, and other areas.

Florida would have to increase state taxes by 10.2 percent across-the-board to make up for the loss in grants.

II. A Balanced Budget Amendment combined with the ''Contract with America'' tax cuts would require even deeper spending cuts, thereby reducing annual Federal grants to the Florida state government by $3.6 billion.

$2.1 billion per year in lost funding for Medicaid.

$277 million per year in lost highway trust fund grants.

$233 million per year in lost funding for welfare (AFDC).

$1.0 billion per year in lost funding for education, job training, the environment, housing, and other areas.

Florida would have to increase state taxes by 14.0 percent across-the-board to make up for the loss in grants.

III. A Balanced Budget Amendment and the ''Contract with America'' tax cuts would reduce other annual Federal spending in Florida by $13.4 billion.

$7.3 billion per year in Medicare benefits.

$6.1 billion per year in other spending including housing assistance, student loans, veterans' benefits, and grants to local governments.

THE IMPACT OF A BALANCED BUDGET AMENDMENT AND THE CONTRACT WITH AMERICA ON THE STATE OF GEORGIA

I. A A Balanced Budget Amendment would reduce annual Federal grants to the Georgia state government by $1.6 billion.

$938 million per year in lost funding for Medicaid.

$131 million per year in lost highway trust fund grants.

$101 million per year in lost funding for welfare (AFDC).

$438 million per year in lost funding for education, job training, the environment, housing, and other areas.

Georgia would have to increase state taxes by 12.0 percent across-the-board to make up for the loss in grants.

II. A Balanced Budget Amendment combined with the ''Contract with America'' tax cuts would require even deeper spending cuts, thereby reducing annual Federal grants to the Georgia state government by $2.2 billion.

$1.3 billion per year in lost funding for Medicaid.

$180 million per year in lost highway trust fund grants.

$138 million per year in lost funding for welfare (AFDC).

$601 million per year in lost funding for education, job training, the environment, housing, and other areas.

Georgia would have to increase state taxes by 16.5 percent across-the-board to make up for the loss in grants.

III. A Balanced Budget Amendment and the ''Contract with America'' tax cuts would reduce other annual Federal spending in Georgia by $5.2 billion.

$1.9 billion per year in Medicare benefits.

$3.3 billion per year in other spending including housing assistance, student loans, veterans' benefits, and grants to local governments.

THE IMPACT OF A BALANCED BUDGET AMENDMENT AND THE CONTRACT WITH AMERICA ON THE STATE OF HAWAII

I. A Balanced Budget Amendment would reduce annual Federal grants to the Hawaii state government by $328 million.

$117 million per year in lost funding for Medicaid.

$62 million per year in lost highway trust fund grants.

$24 million per year in lost funding for welfare (AFDC).

$125 million per year in lost funding for education, job training, the environment, housing, and other areas.

Hawaii would have to increase state taxes by 6.8 percent across-the-board to make up for the loss in grants.

II. A Balanced Budget Amendment combined with the ''Contract with America'' tax cuts would require even deeper spending cuts, thereby reducing annual Federal grants to the Hawaii state government by $450 million.

$161 million per year in lost funding for Medicaid.

$85 million per year in lost highway trust fund grants.

$32 million per year in lost funding for welfare (AFDC).

$172 million per year in lost funding for education, job training, the environment, housing, and other areas.

Hawaii would have to increase state taxes by 9.3 percent across-the-board to make up for the loss in grants.

III. A Balanced Budget Amendment and the ''Contract with America'' tax cuts would reduce other annual Federal spending in Hawaii by $1.0 billion.

$296 million per year in Medicare benefits.

$716 million per year in other spending including housing assistance, student loans, veterans' benefits, and grants to local governments.

THE IMPACT OF A BALANCED BUDGET AMENDMENT AND THE CONTRACT WITH AMERICA ON THE STATE OF IDAHO

I. A Balanced Budget Amendment would reduce annual Federal grants to the Idaho state government by $254 million.

$118 million per year in lost funding for Medicaid.

$33 million per year in lost highway trust fund grants.

$8 million per year in lost funding for welfare (AFDC).

$95 million per year in lost funding for education, job training, the environment, housing, and other areas.

Idaho would have to increase state taxes by 9.9 percent across-the-board to make up for the loss in grants

II. A Balanced Budget Amendment combined with the ''Contract with America'' tax cuts would require even deeper spending cuts, thereby reducing annual Federal grants to the Idaho state government by $349 million.

$162 million per year in lost funding for Medicaid.

$46 million per year in lost highway trust fund grants.

$11 million per year in lost funding for welfare (AFDC).

$131 million per year in lost funding for education, job training, the environment, housing, and other areas.

Idaho would have to increase state taxes by 13.6 percent across-the-board to make up for the loss in grants.

III. A Balanced Budget Amendment and the ''Contract with America'' tax cuts would reduce other annual Federal spending in Idaho by $1.2 billion.

$299 million per year in Medicare benefits.

$874 million per year in other spending including housing assistance, student loans, veterans' benefits, and grants to local governments.

THE IMPACT OF A BALANCED BUDGET AMENDMENT AND THE CONTRACT WITH AMERICA ON THE STATE OF ILLINOIS

I. A Balanced Budget Amendment would reduce annual Federal grants to the Illinois state government by $2.6 billion.

$1.4 billion per year in lost funding for Medicaid.

$174 million per year in lost highway trust fund grants.

$155 million per year in lost funding for welfare (AFDC).

$892 million per year in lost funding for education, job training, the environment, housing, and other areas.

Illinois would have to increase state taxes by 11.6 percent across-the-board to make up for the loss in grants

II. A Balanced Budget Amendment combined with the ''Contract with America'' tax cuts would require deeper spending cuts, thereby reducing annual Federal grants to the Illinois state government by $3.5 billion.

$1.9 billion per year in lost funding for Medicaid.

$239 million per year in lost highway trust fund grants.

$213 million per year in lost funding for welfare (AFDC).

$1.2 billion per year in lost funding for education, job training, the environment, housing, and other areas.

Illinois would have to increase state taxes by 15.9 percent across-the-board to make up for the loss in grants.

III. A Balanced Budget Amendment and the ''Contract with America'' tax cuts would reduce other annual Federal spending in Illinois by $10.3 billion.

$5.6 billion per year in Medicare benefits.

$4.7 billion per year in other spending including housing assistance, student loans, veterans' benefits, and grants to local governments.

THE IMPACT OF A BALANCED BUDGET AMENDMENT AND THE CONTRACT WITH AMERICA ON THE STATE OF INDIANA

I. A Balanced Budget Amendment would reduce annual grants to the Indiana state government by $1.5 billion.

$956 million per year in lost funding for Medicaid.

$123 million per year in lost highway trust fund grants.

$54 million per year in lost funding for welfare (AFDC).

$357 million per year in lost funding for education, job training, the environment, housing, and other areas.

Indiana would have to increase state taxes by 13.8 percent across-the-board to make up for the loss in grants

II. A Balanced Budget Amendment combined with the ''Contract with America'' tax cuts would require even deeper spending cuts, thereby reducing annual Federal grants to the Indiana state government by $2.0 billion.

$1.3 billion per year in lost funding for Medicaid.

$168 million per year in lost highway trust fund grants.

$74 million per year in lost funding for welfare (AFDC).

$490 million per year in lost funding for education, job training, the environment, housing, and other areas.

Indiana would have to increase state taxes by 18.9 percent across-the-board to make up for the loss in grants.

III. A Balanced Budget Amendment and the ''Contract with America'' tax cuts would reduce other annual Federal spending in Indiana by $3.5 billion.

$2.1 billion per year in Medicare benefits.

$1.4 billion per year in other spending including housing assistance, student loans, veterans' benefits, and grants to local governments.

THE IMPACT OF A BALANCED BUDGET AMENDMENT AND THE CONTRACT WITH AMERICA ON THE STATE OF IOWA

I. A Balanced Budget Amendment would reduce annual Federal grants to the Iowa state government by $630 million.

$328 million per year in lost funding for Medicaid.

$69 million per year in lost highway trust fund grants.

$35 million per year in lost funding for welfare (AFDC).

$197 million per year in lost funding for education, job training, the environment, housing, and other areas.

Iowa would have to increase state taxes by 10.9 percent across-the-board to make up for the loss in grants.

II. A Balanced Budget Amendment combined with the ''Contract with America'' tax cuts would require even deeper spending cuts, thereby reducing annual Federal grants to the Iowa state government by $864 million.

$451 million per year in lost funding for Medicaid.

$95 million per year in lost highway trust fund grants.

$48 million per year in lost funding for welfare (AFDC).

$270 million per year in lost funding for education, job training, the environment, housing, and other areas.

Iowa would have to increase state taxes by 15.0 percent across-the-board to make up for the loss in grants.

III. A Balanced Budget Amendment and the ''Contract with America'' tax cuts would reduce other annual Federal spending in Iowa by $2.6 billion.

$1.2 billion per year in Medicare benefits.

$1.4 billion per year in other spending including housing assistance, student loans, veterans' benefits, and grants to local governments.

THE IMPACT OF A BALANCED BUDGET AMENDMENT AND THE CONTRACT WITH AMERICA ON THE STATE OF KANSAS

I. A Balanced Budget Amendment would reduce annual Federal grants to the Kansas state government by $622 million.

$355 million per year in lost funding for Medicaid.

$52 million per year in lost highway trust fund grants.

$29 million per year in lost funding for welfare (AFDC).

$186 million per year in lost funding for education, job training, the environment, housing, and other areas.

Kansas would have to increase state taxes by 13.0 percent across-the-board to make up for the loss in grants.

II. A Balanced Budget Amendment combined with the ''Contract with America'' tax cuts would requre even deeper spending cuts, thereby reducing annual Federal grants to the Kansas state government by $853 million.

$487 million per year in lost funding for Medicaid.

$71 million per year in lost highway trust fund grants.

$40 million per year in lost funding for welfare (AFDC).

$255 million per year in lost funding for education, job training, the environment, housing, and other areas.

Kansas would have to increase state taxes by 17.8 percent across-the-board to make up for the loss in grants.

III. A Balanced Budget Amendment and the ''Contract with America'' tax cuts would reduce other annual Federal spending in Kansas by $2.4 billion.

$1.1 billion per year in Medicare benefits.

$1.2 billion per year in other spending including housing assistance, student loans, veterans' benefits, and grants to local governments.

THE IMPACT OF A BALANCED BUDGET AMENDMENT AND THE CONTRACT WITH AMERICA ON THE STATE OF KENTUCKY

I. A Balanced Budget Amendment would reduce annual Federal grants to the Kentucky state government by $1.2 billion.

$690 million per year in lost funding for Medicaid.

$69 million per year in lost highway trust fund grants.

$56 million per year in lost funding for welfare (AFDC).

$341 million per year in lost funding for education, job training, the environment, housing, and other areas.

Kentucky would have to increase state taxes by 14.5 percent across-the-board to make up for the loss in grants.

II. A Balanced Budget Amendment combined with the ''Contract with America'' tax cuts would requre even deeper spending cuts, thereby reducing annual Federal grants to the Kentucky state government by $1.6 billion.

$947 million per year in lost funding for Medicaid.

$95 million per year in lost highway trust fund grants.

$77 million per year in lost funding for welfare (AFDC).

$468 million per year in lost funding for education, job training, the environment, housing, and other areas.

Kentucky would have to increase state taxes by 19.8 percent across-the-board to make up for the loss in grants.

III. A Balanced Budget Amendment and the ''Contract with America'' tax cuts would reduce other annual Federal spending in Kentucky by $2.9 billion.

$1.3 billion per year in Medicare benefits.

$1.6 billion per year in other spending including housing assistance, student loans, veterans' benefits, and grants to local governments.

THE IMPACT OF A BALANCED BUDGET AMENDMENT AND THE CONTRACT WITH AMERICA ON THE STATE OF LOUISIANA

I. A Balanced Budget Amendment would reduce annual Federal grants to the Louisiana state government by $2.0 billion.

$1.5 billion per year in lost funding for Medicaid.

$94 million per year in lost highway trust fund grants.

$48 million per year in lost funding for welfare (AFDC).

$324 million per year in lost funding for education, job training, the environment, housing, and other areas.

Louisiana would have to increase state taxes by 27.8 percent across-the-board to make up for the loss in grants.

II. A Balanced Budget Amendment combined with the ''Contract with America'' tax cuts would requre even deeper spending cuts, thereby reducing annual Federal grants to the Louisiana state government by $2.7 billion.

$2.1 billion per year in lost funding for Medicaid.

$129 million per year in lost highway trust fund grants.

$66 million per year in lost funding for welfare (AFDC).

$444 million per year in lost funding for education, job training, the environment, housing, and other areas.

Louisiana would have to increase state taxes by 38.2 percent across-the-board to make up for the loss in grants.

III. A Balanced Budget Amendment and the ''Contract with America'' tax cuts would reduce other annual Federal spending in Louisiana by $3.2 billion.

$1.5 billion per year in Medicare benefits.

$1.8 billion per year in other spending including housing assistance, student loans, veterans' benefits, and grants to local governments.

THE IMPACT OF A BALANCED BUDGET AMENDMENT AND THE CONTRACT WITH AMERICA ON THE STATE OF MAINE

I. A Balanced Budget Amendment would reduce annual Federal grants to the Maine state government by $452 million.

$279 million per year in lost funding for Medicaid.

$28 million per year in lost highway trust fund grants.

$24 million per year in lost funding for welfare (AFDC).

$121 million per year in lost funding for education, job training, the environment, housing, and other areas.

Maine would have to increase state taxes by 17.5 percent across-the-board to make up for the loss in grants.

II. A Balanced Budget Amendment combined with the ''Contract with America'' tax cuts would requre even deeper spending cuts, thereby reducing annual Federal grants to the Maine state government by $621 million.

$383 million per year in lost funding for Medicaid.

$38 million per year in lost highway trust fund grants.

$33 million per year in lost funding for welfare (AFDC).

$166 million per year in lost funding for education, job training, the environment, housing, and other areas.

Maine would have to increase state taxes by 17.8 percent across-the-board to make up for the loss in grants.

III. A Balanced Budget Amendment and the ''Contract with America'' tax cuts would reduce other annual Federal spending in Maine by $983 million.

$529 million per year in Medicare benefits.

$454 million per year in other spending including housing assistance, student loans, veterans' benefits, and grants to local governments.

THE IMPACT OF A BALANCED BUDGET AMENDMENT AND THE CONTRACT WITH AMERICA ON THE STATE OF MARYLAND

I. A Balanced Budget Amendment would reduce annual Federal grants to the Maryland state government by $1.1 billion.

$581 million per year in lost funding for Medicaid.

$83 million per year in lost highway trust fund grants.

$65 million per year in lost funding for welfare (AFDC).

$396 million per year in lost funding for education, job training, the environment, housing, and other areas.

Maryland would have to increase state taxes by 9.9 percent across-the-board to make up for the loss in grants.

II. A Balanced Budget Amendment combined with the ''Contract with America'' tax

cuts would require even deeper spending cuts, thereby reducing annual Federal grants to the Maryland state government by $1.5 billion.

$798 million per year in lost funding for Medicaid.

$113 million per year in lost highway trust fund grants.

$89 million per year in lost funding for welfare (AFDC).

$543 million per year in lost funding for education, job training, the environment, housing, and other areas.

Maryland would have to increase state taxes by 13.5 percent across-the-board to make up for the loss in grants.

III. A Balanced Budget Amendment and the ''Contract with America'' tax cuts would reduce other annual Federal spending in Maryland by $8.6 billion.

$1.9 billion per year in Medicare benefits.

$6.7 billion per year in other spending including housing assistance, student loans, veterans' benefits, and grants to local governments.

THE IMPACT OF A BALANCED BUDGET AMENDMENT AND THE CONTRACT WITH AMERICA ON THE STATE OF MASSACHUSETTS

I. A Balanced Budget Amendment would reduce annual Federal grants to the Massachusetts state government by $1.9 billion.

$1.1 billion per year in lost funding for Medicaid.

$248 million per year in lost highway trust fund grants.

$135 million per year in lost funding for welfare (AFDC).

$459 million per year in lost funding for education, job training, the environment, housing, and other areas.

Massachusetts would have to increase state taxes by 12.6 percent across-the-board to make up for the loss in grants.

II. A Balanced Budget Amendment combined with the ''Contract with America'' tax cuts would require even deeper spending cuts, thereby reducing annual Federal grants to the Massachusetts state government by $2.6 billion.

$1.5 billion per year in lost funding for Medicaid.

$340 million per year in lost highway trust fund grants.

$185 million per year in lost funding for welfare (AFDC).

$630 million per year in lost funding for education, job training, the environment, housing, and other areas.

Massachusetts would have to increase state taxes by 17.3 percent across-the-board to make up for the loss in grants.

III. A Balanced Budget Amendment and the ''Contract with America'' tax cuts would reduce other annual Federal spending in Massachusetts by $6.4 billion.

$3.4 billion per year in Medicare benefits.

$3.1 billion per year in other spending including housing assistance, student loans, veterans' benefits, and grants to local governments.

THE IMPACT OF A BALANCED BUDGET AMENDMENT AND THE CONTRACT WITH AMERICA ON THE STATE OF MICHIGAN

I. A Balanced Budget Amendment would reduce annual Federal grants to the Michigan state government by $2.5 billion.

$1.4 billion per year in lost funding for Medicaid.

$140 million per year in lost highway trust fund grants.

$229 million per year in lost funding for welfare (AFDC).

$753 million per year in lost funding for education, job training, the environment, housing, and other areas.

Michigan would have to increase state taxes by 13.2 percent across-the-board to make up for the loss in grants.

II. A Balanced Budget Amendment combined with the ''Contract with America'' tax cuts would require even deeper spending cuts, thereby reducing annual Federal grants to the Michigan state government by $3.4 billion.

$1.9 billion per year in lost funding for Medicaid.

$192 million per year in lost highway trust fund grants.

$314 million per year in lost funding for welfare (AFDC).

$1.0 billion per year in lost funding for education, job training, the environment, housing, and other areas.

Michigan would have to increase state taxes by 18.1 percent across-the-board to make up for the loss in grants.

III. A Balanced Budget Amendment and the ''Contract with America'' tax cuts would reduce other annual Federal spending in Michigan by $6.8 billion.

$4.6 billion per year in Medicare benefits.

$2.3 billion per year in other spending including housing assistance, student loans, veterans' benefits, and grants to local governments.

THE IMPACT OF A BALANCED BUDGET AMENDMENT AND THE CONTRACT WITH AMERICA ON THE STATE OF MINNESOTA

I. A Balanced Budget Amendment would reduce annual Federal grants to the Minnesota state government by $1.2 billion.

$679 million per year in lost funding for Medicaid.

$102 million per year in lost highway trust fund grants.

$83 million per year in lost funding for welfare (AFDC).

$314 million per year in lost funding for education, job training, the environment, housing, and other areas.

Minnesota would have to increase state taxes by 9.4 percent across-the-board to make up for the loss in grants.

II. A Balanced Budget Amendment combined with the ''Contract with America'' tax cuts would require even deeper spending cuts, thereby reducing annual Federal grants to the Minnesota state government by $1.6 billion.

$931 million per year in lost funding for Medicaid.

$139 million per year in lost highway trust fund grants.

$113 million per year in lost funding for welfare (AFDC).

$431 million per year in lost funding for education, job training, the environment, housing, and other areas.

Minnesota would have to increase state taxes by 13.0 percent across-the-board to make up for the loss in grants.

III. A Balanced Budget Amendment and the ''Contract with America'' tax cuts would reduce other annual Federal spending in Minnesota by $3.5 billion.

$1.5 billion per year in Medicare benefits.

$2.0 billion per year in other spending including housing assistance, student loans, veterans' benefits, and grants to local governments.

THE IMPACT OF A BALANCED BUDGET AMENDMENT AND THE CONTRACT WITH AMERICA ON THE STATE OF MISSISSIPPI

I. A Balanced Budget Amendment would reduce annual Federal grants to the Mississippi state government by $864 million.

$496 million per year in lost funding for Medicaid.

$61 million per year in lost highway trust fund grants.

$24 million per year in lost funding for welfare (AFDC).

$282 million per year in lost funding for education, job training, the environment, housing, and other areas.

Mississippi would have to increase state taxes by 20.8 percent across-the-board to make up for the loss in grants.

II. A Balanced Budget Amendment combined with the ''Contract with America'' tax cuts would require even deeper spending cuts, thereby reducing annual Federal grants to the Mississippi state government by $1.2 billion.

$681 million per year in lost funding for Medicaid.

$84 million per year in lost highway trust fund grants.

$33 million per year in lost funding for welfare (AFDC).

$387 million per year in lost funding for education, job training, the environment, housing, and other areas.

Mississippi would have to increase state taxes by 28.5 percent across-the-board to make up for the loss in grants.

III. A Balanced Budget Amendment and the ''Contract with America'' tax cuts would reduce other annual Federal spending in Mississippi by $2.3 billion.

$978 million per year in Medicare benefits.

$1.3 billion per year in other spending including housing assistance, student loans, veterans' benefits, and grants to local governments.

THE IMPACT OF A BALANCED BUDGET AMENDMENT AND THE CONTRACT WITH AMERICA ON THE STATE OF MISSOURI

I. A Balanced Budget Amendment would reduce annual Federal grants to the Missouri state government by $1.3 billion.

$747 million per year in lost funding for Medicaid.

$109 million per year in lost highway trust fund grants.

$62 million per year in lost funding for welfare (AFDC).

$398 million per year in lost funding for education, job training, the environment, housing, and other areas.

Missouri would have to increase state taxes by 15.5 percent across-the-board to make up for the loss in grants.

II. A Balanced Budget Amendment combined with the ''Contract with America'' tax cuts would require even deeper spending cuts, thereby reducing annual Federal grants to the Missouri state government by $1.8 billion.

$1.0 billion per year in lost funding for Medicaid.

$149 million per year in lost highway trust fund grants.

$85 million per year in lost funding for welfare (AFDC).

$547 million per year in lost funding for education, job training, the environment, housing, and other areas.

Missouri would have to increase state taxes by 21.2 percent across-the-board to make up for the loss in grants.

III. A Balanced Budget Amendment and the ''Contract with America'' tax cuts would reduce other annual Federal spending in Missouri by $5.4 billion.

$2.4 billion per year in Medicare benefits.

$3.0 billion per year in other spending including housing assistance, student loans, veterans' benefits, and grants to local governments.

THE IMPACT OF A BALANCED BUDGET AMENDMENT AND THE CONTRACT WITH AMERICA ON THE STATE OF MONTANA

I. A Balanced Budget Amendment would reduce annual Federal grants to the Montana state government by $277 million.

$123 million per year in lost funding for Medicaid.

$52 million per year in lost highway trust fund grants.

$12 million per year in lost funding for welfare (AFDC).

$89 million per year in lost funding for education, job training, the environment, housing, and other areas.

Montana would have to increase state taxes by 19.8 percent across-the-board to make up for the loss in grants.

II. A Balanced Budget Amendment combined with the ''Contract with America'' tax cuts would require even deeper spending cuts, thereby reducing annual Federal grants to the Montana state government by $380 million.

$169 million per year in lost funding for Medicaid.

$71 million per year in lost highway trust fund grants.

$17 million per year in lost funding for welfare (AFDC).

$123 million per year in lost funding for education, job training, the environment, housing, and other areas.

Montana would have to increase state taxes by 27.1 percent across-the-board to make up for the loss in grants.

III. A Balanced Budget Amendment and the ''Contract with America'' tax cuts would reduce other annual Federal spending in Montana by $1.0 billion.

$298 million per year in Medicare benefits.

$722 million per year in other spending including housing assistance, student loans, veterans' benefits, and grants to local governments.

THE IMPACT OF A BALANCED BUDGET AMENDMENT AND THE CONTRACT WITH AMERICA ON THE STATE OF NEBRASKA

I. A Balanced Budget Amendment would reduce annual Federal grants to the Nebraska state government by $388 million.

$192 million per year in lost funding for Medicaid.

$44 million per year in lost highway trust fund grants.

$23 million per year in lost funding for welfare (AFDC).

$129 million per year in lost funding for education, job training, the environment, housing, and other areas.

Nebraska would have to increase state taxes by 13.3 percent across-the-board to make up for the loss in grants.

II. A Balanced Budget Amendment combined with the ''Contract with America'' tax cuts would require even deeper spending cuts, thereby reducing annual Federal grants to the Nebraska state government by $533 million.

$264 million per year in lost funding for Medicaid.

$60 million per year in lost highway trust fund grants.

$31 million per year in lost funding for welfare (AFDC).

$177 million per year in lost funding for education, job training, the environment, housing, and other areas.

Nebraska would have to increase state taxes by 18.3 percent across-the-board to make up for the loss in grants.

III. A Balanced Budget Amendment and the ''Contract with America'' tax cuts would reduce other annual Federal spending in Nebraska by $1.7 billion.

$661 million per year in Medicare benefits.

$1.0 billion per year in other spending including housing assistance, student loans, veterans' benefits, and grants to local governments.

THE IMPACT OF A BALANCED BUDGET AMENDMENT AND THE CONTRACT WITH AMERICA ON THE STATE OF NEVADA

I. A Balanced Budget Amendment would reduce annual Federal grants to the Nevada state government by $227 million.

$116 million per year in lost funding for Medicaid.

$32 million per year in lost highway trust fund grants.

$11 million per year in lost funding for welfare (AFDC).

$68 million per year in lost funding for education, job training, the environment, housing, and other areas.

Nevada would have to increase state taxes by 6.2 percent across-the-board to make up for the loss in grants.

II. A Balanced Budget Amendment combined with the ''Contract with America'' tax cuts would require even deeper spending cuts, thereby reducing annual Federal grants to the Nevada state government by $312 million.

$159 million per year in lost funding for Medicaid.

$44 million per year in lost highway trust fund grants.

$15 million per year in lost funding for welfare (AFDC).

$94 million per year in lost funding for education, job training, the environment, housing, and other areas.

Nevada would have to increase state taxes by 8.6 percent across-the-board to make up for the loss in grants.

III. A Balanced Budget Amendment and the ''Contract with America'' tax cuts would reduce other annual Federal spending in Nevada by $1.4 billion.

$354 million per year in Medicare benefits.

$1.0 billion per year in other spending including housing assistance, student loans, veterans' benefits, and grants to local governments.

THE IMPACT OF A BALANCED BUDGET AMENDMENT AND THE CONTRACT WITH AMERICA ON THE STATE OF NEW HAMPSHIRE

I. A Balanced Budget Amendment would reduce annual Federal grants to the New Hampshire state government by $212 million.

$112 million per year in lost funding for Medicaid.

$31 million per year in lost highway trust fund grants.

$11 million per year in lost funding for welfare (AFDC).

$58 million per year in lost funding for education, job training, the environment, housing, and other areas.

New Hampshire would have to increase state taxes by 17.6 percent across-the-board to make up for the loss in grants.

II. A Balanced Budget Amendment combined with the ''Contract with America'' tax cuts would require even deeper spending cuts, thereby reducing annual Federal grants to the New Hampshire state government by $291 million.

$154 million per year in lost funding for Medicaid.

$43 million per year in lost highway trust fund grants.

$16 million per year in lost funding for welfare (AFDC).

$79 million per year in lost funding for education, job training, the environment, housing, and other areas.

New Hampshire would have to increase state taxes by 24.1 percent across-the-board to make up for the loss in grants.

III. A Balanced Budget Amendment and the ''Contract with America'' tax cuts would reduce other annual Federal spending in New Hampshire by $773 million.

$370 million per year in Medicare benefits.

$403 million per year in other spending including housing assistance, student loans, veterans' benefits, and grants to local governments.

THE IMPACT OF A BALANCED BUDGET AMENDMENT AND THE CONTRACT WITH AMERICA ON THE STATE OF NEW JERSEY

I. A Balanced Budget Amendment would reduce annual Federal grants to the New Jersey state government by $2.5 billion.

$1.5 billion per year in lost funding for Medicaid.

$141 million per year in lost highway trust fund grants.

$129 million per year in lost funding for welfare (AFDC).

$705 million per year in lost funding for education, job training, the environment, housing, and other areas.

New Jersey would have to increase state taxes by 12.7 percent across-the-board to make up for the loss in grants.

II. A Balanced Budget Amendment combined with the ''Contract with America'' tax cuts would require even deeper spending cuts, thereby reducing annual Federal grants to the New Jersey state government by $3.4 billion.

$2.1 billion per year in lost funding for Medicaid.

$194 million per year in lost highway trust fund grants.

$177 million per year in lost funding for welfare (AFDC).

$968 million per year in lost funding for education, job training, the environment, housing, and other areas.

New Jersey would have to increase state taxes by 17.5 percent across-the-board to make up for the loss in grants.

III. A Balanced Budget Amendment and the ''Contract with America'' tax cuts would reduce other annual Federal spending in New Jersey by $6.4 billion.

$4.0 billion per year in Medicare benefits.

$2.4 billion per year in other spending including housing assistance, student loans, veterans' benefits, and grants to local governments.

THE IMPACT OF A BALANCED BUDGET AMENDMENT AND THE CONTRACT WITH AMERICA ON THE STATE OF NEW MEXICO

I. A Balanced Budget Amendment would reduce annual Federal grants to the new Mexico state government by $524 million.

$233 million per year in lost funding for Medicaid.

$70 million per year in lost highway trust fund grants.

$28 million per year in lost funding for welfare (AFDC).

$193 million per year in lost funding for education, job training, the environment, housing, and other areas.

New Mexico would have to increase state taxes by 12.9 percent across-the-board to make up for the loss in grants.

II. A Balanced Budget Amendment combined with the ''Contract with America'' tax cuts would require even deeper spending cuts, thereby reducing annual Federal grants to the New Mexico state government by $719 million.

$320 million per year in lost funding for Medicaid.

$96 million per year in lost highway trust fund grants.

$38 million per year in lost funding for welfare (AFDC).

$265 million per year in lost funding for education, job training, the environment, housing, and other areas.

New Mexico would have to increase state taxes by 17.6 percent across-the-board to make up for the loss in grants.

III. A Balanced Budget Amendment and the ''Contract with America'' tax cuts would

reduce other annual Federal spending in New Mexico by $2.9 billion.

$440 million per year in Medicare benefits.

$2.5 billion per year in other spending including housing assistance, student loans, veterans' benefits, and grants to local governments.

THE IMPACT OF A BALANCED BUDGET AMENDMENT AND THE CONTRACT WITH AMERICA ON THE STATE OF NEW YORK

I. A Balanced Budget Amendment would reduce annual Federal grants to the New York state government by $8.2 billion.

$5.4 billion per year in lost funding for Medicaid.

$274 million per year in lost highway trust fund grants.

$535 million per year in lost funding for welfare (AFDC).

$1.9 billion per year in lost funding for education, job training, the environment, housing, and other areas.

New York would have to increase state taxes by 17.4 percent across-the-board to make up for the loss in grants.

II. A Balanced Budget Amendment combined with the ''Contract with America'' tax cuts would require even deeper spending cuts, thereby reducing annual Federal grants to the New York state government by $11.2 billion.

$7.5 billion per year in lost funding for Medicaid.

$376 million per year in lost highway trust fund grants.

$734 million per year in lost funding for welfare (AFDC).

$2.6 billion per year in lost funding for education, job training, the environment, housing, and other areas.

New York would have to increase state taxes by 23.8 percent across-the-board to make up for the loss in grants.

III. A Balanced Budget Amendment and the ''Contract with America'' tax cuts would reduce other annual Federal spending in New York by $15.2 billion.

$9.4 billion per year in Medicare benefits.

$5.7 billion per year in other spending including housing assistance, student loans, veterans' benefits, and grants to local governments.

THE IMPACT OF A BALANCED BUDGET AMENDMENT AND THE CONTRACT WITH AMERICA ON THE STATE OF NORTH CAROLINA

I. A Balanced Budget Amendment would reduce annual Federal grants to the North Carolina state government by $1.7 billion.

$1.0 billion per year in lost funding for Medicaid.

$136 million per year in lost highway trust fund grants.

$95 million per year in lost funding for welfare (AFDC).

$441 million per year in lost funding for education, job training, the environment, housing, and other areas.

North Carolina would have to increase state taxes by 11.1 percent across-the-board to make up for the loss in grants.

II. A Balanced Budget Amendment combined with the ''Contract with America'' tax cuts would require even deeper spending cuts, thereby reducing annual Federal grants to the North Carolina state government by $2.3 billion.

$1.4 billion per year in lost funding for Medicaid.

$187 million per year in lost highway trust fund grants.

$130 million per year in lost funding for welfare (AFDC).

$605 billion per year in lost funding for education, job training, the environment, housing, and other areas.

North Carolina would have to increase state taxes by 15.2 percent across-the-board to make up for the loss in grants.

III. A Balanced Budget Amendment and the ''Contract with America'' tax cuts would reduce other annual Federal spending in North Carolina by $4.4 billion.

$2.0 billion per year in Medicare benefits.

$2.4 billion per year in other spending including housing assistance, student loans, veterans' benefits, and grants to local governments.

THE IMPACT OF A BALANCED BUDGET AMENDMENT AND THE CONTRACT WITH AMERICA ON THE STATE OF NORTH DAKOTA

I. A Balanced Budget Amendment would reduce annual Federal grants to the North Dakota state government by $229 million.

$105 million per year in lost funding for Medicaid.

$35 million per year in lost highway trust fund grants.

$8 million per year in lost funding for welfare (AFDC).

$81 million per year in lost funding for education, job training, the environment, housing, and other areas.

North Dakota would have to increase state taxes by 19.7 percent across-the-board to make up for the loss in grants.

II. A Balanced Budget Amendment combined with the ''Contract with America'' tax cuts would require even deeper spending cuts, thereby reducing annual Federal grants to the North Dakota state government by $314 million.

$144 million per year in lost funding for Medicaid.

$48 million per year in lost highway trust fund grants.

$10 million per year in lost funding for welfare (AFDC).

$111 million per year in lost funding for education, job training, the environment, housing, and other areas.

North Dakota would have to increase state taxes by 27.0 percent across-the-board to make up for the loss in grants.

III. A Balanced Budget Amendment and the ''Contract with America'' tax cuts would reduce other annual Federal spending in North Dakota by $773 million.

$317 million per year in Medicare benefits.

$455 million per year in other spending including housing assistance, student loans, veterans' benefits, and grants to local governments.

THE IMPACT OF A BALANCED BUDGET AMENDMENT AND THE CONTRACT WITH AMERICA ON THE STATE OF OHIO

I. A Balanced Budget Amendment would reduce annual Federal grants to the Ohio state government by $2.8 billion.

$1.7 billion per year in lost funding for Medicaid.

$170 million per year in lost highway trust fund grants.

$212 nillion per year is lost funding for welfare (AFDC).

$727 million per year in lost funding for education, job training, the environment, housing, and other areas.

Ohio would have to increase state taxes by 14.4 percent across-the-board to make up for the loss in grants.

II. A Balanced Budget Amendment combined with the ''Contract with America'' tax cuts would require even deeper spending cuts, thereby reducing annual Federal grants to the North Dakota state government by $3.9 billion.

$2.4 billion per year in lost funding for Medicaid.

$233 million per year in lost highway trust fund grants.

$290 million per year in lost funding for welfare (AFDC).

$997 million per year in lost funding for education, job training, the environment, housing, and other areas.

Ohio would have to increase state taxes by 19.8 percent across-the-board to make up for the loss in grants.

III. A Balanced Budget Amendment and the ''Contract with America'' tax cuts would reduce other annual Federal spending in Ohio by $8.2 billion.

$4.7 billion per year in Medicare benefits.

$3.5 billion per year in other spending including housing assistance, student loans, veterans' benefits, and grants to local governments.

THE IMPACT OF A BALANCED BUDGET AMENDMENT AND THE CONTRACT WITH AMERICA ON THE STATE OF OKLAHOMA

I. A Balanced Budget Amendment would reduce annual Federal grants to the Oklahoma state government by $770 million.

$424 million per year in lost funding for Medicaid.

$51 million per year in lost highway trust fund grants.

$51 million per year in lost funding for welfare (AFDC).

$244 million per year in lost funding for education, job training, the environment, housing, and other areas.

Oklahoma would have to increase state taxes by 12.4 percent across-the-board to make up for the loss in grants.

II. A Balanced Budget Amendment combined with the ''Contract with America'' tax cuts would require even deeper spending cuts, thereby reducing annual Federal grants to the Oklahoma state government by $1.1 billion.

$582 million per year in lost funding for Medicaid.

$70 million per year in lost highway trust fund grants.

$69 million per year in lost funding for welfare (AFDC).

$335 million per year in lost funding for education, job training, the environment, housing, and other areas.

Oklahoma would have to increase state taxes by 17.0 percent across-the-board to make up for the loss in grants.

III. A Balanced Budget Amendment and the ''Contract with America'' tax cuts would reduce other annual Federal spending in Oklahoma by $2.9 billion.

$1.3 billion per year in Medicare benefits.

$1.6 billion per year in other spending including housing assistance student loans, veterans' benefits, and grants to local governments.

THE IMPACT OF A BALANCED BUDGET AMENDMENT AND THE CONTRACT WITH AMERICA ON THE STATE OF OREGON

I. A Balanced Budget Amendment would reduce annual Federal grants to the Oregon state government by $706 million.

$342 million per year in lost funding for Medicaid.

$54 million per year in lost highway trust fund grants.

$47 million per year in lost funding for welfare (AFDC).

$263 million per year in lost funding for education, job training, the environment, housing, and other areas.

Oregon would have to increase state taxes by 12.2 percent across-the-board to make up for the loss in grants.

II. A Balanced Budget Amendment combined with the ''Contract with America'' tax cuts would require even deeper spending cuts, thereby reducing annual Federal grants to the Oregon state government by $969 million.

$469 million per year in lost funding for Medicaid.

$75 million per year in lost highway trust fund grants.

$65 million per year in lost funding for welfare (AFDC).

$361 million per year in lost funding for education, job training, the environment, housing, and other areas.

Oregon would increase state taxes by 16.8 percent across-the-board to make up for the loss in grants.

III. A Balanced Budget Amendment and the ''Contract with America'' tax cuts would reduce other annual Federal spending in Oregon by $2.9 billion.

$1.3 billion per year in Medicare benefits.

$1.6 billion per year in other spending including housing assistance, student loans, veteran's benefits, and grants to local governments.

THE IMPACT OF A BALANCED BUDGET AMENDMENT AND THE CONTRACT WITH AMERICA ON THE STATE OF PENNSYLVANIA

I. A Balanced Budget Amendment would reduce annual Federal grants to the Pennsylvania state government by $3.1 billion.

$1.8 billion per year in lost funding for Medicaid.

$211 million per year in lost highway trust fund grants.

$178 million per year in lost funding for welfare (AFDC).

$901 million per year in lost funding for education, job training, the environment, housing, and other areas.

Pennsylvania would have to increase state taxes by 12.7 percent across-the-board to make up for the loss in grants.

II. A Balanced Budget Amendment combined with the ''Contract with America'' tax cuts would require even deeper spending cuts, thereby reducing annual Federal grants to the Pennsylvania state government by $4.2 billion.

$2.4 billion per year in lost funding for Medicaid.

$290 million per year in lost highway trust fund grants.

$244 million per year in lost funding for welfare (AFDC).

$1.2 billion per year in lost funding for education, job training, the environment, housing, and other areas.

Pennsylvania would have to increase state taxes by 17.4 percent across-the-board to make up for the loss in grants.

III. A Balanced Budget Amendment and the ''Contract with America'' tax cuts would reduce other annual Federal spending in Pennsylvania by $11.7 billion.

$7.0 billion per year in Medicare benefits.

$4.7 billion per year in other spending including housing assistance student loans, veterans' benefits, and grants to local governments.

THE IMPACT OF A BALANCED BUDGET AMENDMENT AND THE CONTRACT WITH AMERICA ON THE STATE OF RHODE ISLAND

I. A Balanced Budget Amendment would reduce annual Federal grants to the Rhode Island state government by $430 million.

$255 million per year in lost funding for Medicaid.

$42 million per year in lost highway trust fund grants.

$23 million per year in lost funding for welfare (AFDC).

$109 million per year in lost funding for education, job training, the environment, housing, and other areas.

Rhode Island would have to increase state taxes by 21.4 percent across-the-board to make up for the loss in grants.

II. A Balanced Budget Amendment combined with the ''Contract with America'' tax cuts would require even deeper spending cuts, thereby reducing annual Federal grants to the Rhode Island state government by $590 million.

$350 million per year in lost funding for Medicaid.

$58 million per year in lost highway trust fund grants.

$32 million per year in lost funding for welfare (AFDC).

$150 million per year in lost funding for education, job training, the environment, housing, and other areas.

Rhode Island would have to increase state taxes by 29.3 percent across-the-board to make up for the loss in grants.

III. A Balanced Budget Amendment and the ''Contract with America'' tax cuts would reduce other annual Federal spending in Rhode Island by $849 million.

$476 million per year in Medicare benefits.

$373 million per year in other spending including housing assistance student loans, veterans' benefits, and grants to local governments.

THE IMPACT OF A BALANCED BUDGET AMENDMENT AND THE CONTRACT WITH AMERICA ON THE STATE OF SOUTH CAROLINA

I. A Balanced Budget Amendment would reduce annual Federal grants to the South Carolina state government by $1.0 billion.

$644 million per year in lost funding for Medicaid.

$68 million per year in lost highway trust fund grants.

$31 million per year in lost funding for welfare (AFDC).

$260 million per year in lost funding for education, job training, the environment, housing, and other areas.

South Carolina would have to increase state taxes by 14.3 percent across-the-board to make up for the loss in grants.

II. A Balanced Budget Amendment combined with the ''Contract with America'' tax cuts would require even deeper spending cuts, thereby reducing annual Federal grants to the South Carolina state government by $1.4 billion.

$883 million per year in lost funding for Medicaid.

$94 million per year in lost highway trust fund grants.

$42 million per year in lost funding for welfare (AFDC).

$357 million per year in lost funding for education, job training, the environment, housing, and other areas.

South Carolina would have to increase state taxes by 19.6 percent across-the-board to make up for the loss in grants.

III. A Balanced Budget Amendment and the ''Contract with America'' tax cuts would reduce other annual Federal spending in South Carolina by $3.0 billion.

$935 million per year in Medicare benefits.

$2.1 billion per year in other spending including housing assistance, student loans, veterans' benefits, and grants to local governments.

THE IMPACT OF A BALANCED BUDGET AMENDMENT AND THE CONTRACT WITH AMERICA ON THE STATE OF SOUTH DAKOTA

I. A Balanced Budget Amendment would reduce annual Federal grants to the South Dakota state government by $231 million.

$103 million per year in lost funding for Medicaid.

$39 million per year in lost highway trust fund grants.

$6 million per year in lost funding for welfare (AFDC).

$82 million per year in lost funding for education, job training, the environment, housing, and other areas.

South Dakota would have to increase state taxes by 24.7 percent across-the-board to make up for the loss in grants.

II. A Balanced Budget Amendment combined with the ''Contract with America'' tax cuts would require even deeper spending cuts, thereby reducing annual Federal grants to the South Dakota state government by $316 million.

$142 million per year in lost funding for Medicaid.

$53 million per year in lost highway trust fund grants.

$9 million per year in lost funding for welfare (AFDC).

$113 million per year in lost funding for education, job training, the environment, housing, and other areas.

South Dakota would have to increase state taxes by 33.8 percent across-the-board to make up for the loss in grants.

III. A Balanced Budget Amendment and the ''Contract with America'' tax cuts would reduce other annual Federal spending in South Dakota by $792 million.

$281 million per year in Medicare benefits.

$511 million per year in other spending including housing assistance, student loans, veterans' benefits, and grants to local governments.

THE IMPACT OF A BALANCED BUDGET AMENDMENT AND THE CONTRACT WITH AMERICA ON THE STATE OF TENNESSEE

I. A Balanced Budget Amendment would reduce annual Federal grants to the Tennessee state government by $1.5 billion.

$989 million per year in lost funding for Medicaid.

$78 million per year in lost highway trust fund grants.

$60 million per year in lost funding for welfare (AFDC).

$411 million per year in lost funding for education, job training, the environment, housing, and other areas.

Tennessee would have to increase state taxes by 19.5 percent across-the-board to make up for the loss in grants.

II. A Balanced Budget Amendment combined with the ''Contract with America'' tax cuts would require even deeper spending cuts, thereby reducing annual Federal grants to the Tennessee state government by $2.1 billion.

$1.4 billion per year in lost funding for Medicaid.

$107 million per year in lost highway trust fund grants.

$82 million per year in lost funding for welfare (AFDC).

$563 million per year in lost funding for education, job training, the environment, housing, and other areas.

Tennessee would have to increase state taxes by 26.7 percent across-the-board to make up for the loss in grants.

III. A Balanced Budget Amendment and the ''Contract with America'' tax cuts would reduce other annual Federal spending in Tennessee by $5.3 billion.

$1.9 billion per year in Medicare benefits.

$3.4 billion per year in other spending including housing assistance, student loans, veterans' benefits, and grants to local governments.

THE IMPACT OF A BALANCED BUDGET AMENDMENT AND THE CONTRACT WITH AMERICA ON THE STATE OF TEXAS

I. A Balanced Budget Amendment would reduce annual Federal grants to the Texas state government by $4.2 billion.

$2.5 billion per year in lost funding for Medicaid.

$340 million per year in lost highway trust fund grants.

$147 million per year in lost funding for welfare (AFDC).

$1.2 billion per year in lost funding for education, job training, the environment, housing, and other areas.

Texas would have to increase state taxes by 14.0 percent across-the-board to make up for the loss in grants.

II. A Balanced Budget Amendment combined with the ''Contract with America'' tax cuts would require even deeper spending cuts, thereby reducing annual Federal grants to the Texas state government by $5.7 billion.

$3.5 billion per year in lost funding for Medicaid.

$466 million per year in lost highway trust fund grants.

$202 million per year in lost funding for welfare (AFDC).

$1.6 billion per year in lost funding for education, job training, the environment, housing, and other areas.

Texas would have to increase state taxes by 19.2 percent across-the-board to make up for the loss in grants.

III. A Balanced Budget Amendment and the ''Contract with America'' tax cuts would reduce other annual Federal spending in Texas by $14.8 billion.

$5.9 billion per year in Medicare benefits.

$8.9 billion per year in other spending including housing assistance, student loans, veterans' benefits, and grants to local governments.

THE IMPACT OF A BALANCED BUDGET AMENDMENT AND THE CONTRACT WITH AMERICA ON THE STATE OF UTAH

I. A Balanced Budget Amendment would reduce annual Federal grants to the Utah state government by $422 million.

$190 million per year in lost funding for Medicaid.

$49 million per year in lost highway trust fund grants.

$22 million per year in lost funding for welfare (AFDC).

$160 million per year in lost funding for education, job training, the environment, housing, and other areas.

Utah would have to increase state taxes by 11.4 percent across-the-board to make up for the loss in grants.

II. A Balanced Budget Amendment combined with the ''Contract with America'' tax cuts would require even deeper spending cuts, thereby reducing annual Federal grants to the Utah state government by $579 million.

$261 million per year in lost funding for Medicaid.

$68 million per year in lost highway trust fund grants.

$31 million per year in lost funding for welfare (AFDC).

$220 million per year in lost funding for education, job training, the environment, housing, and other areas.

Utah would have to increase state taxes by 15.6 percent across-the-board to make up for the loss in grants.

III. A Balanced Budget Amendment and the ''Contract with America'' tax cuts would reduce other annual Federal spending in Utah by $1.5 billion.

$323 million per year in Medicare benefits.

$1.2 billion per year in other spending including housing assistance, student loans, veterans' benefits, and grants to local governments.

THE IMPACT OF A BALANCED BUDGET AMENDMENT AND THE CONTRACT WITH AMERICA ON THE STATE OF VERMONT

I. A Balanced Budget Amendment would reduce annual Federal grants to the Vermont state government by $207 million.

$89 million per year in lost funding for Medicaid.

$37 million per year in lost highway trust fund grants.

$13 million per year in lost funding for welfare (AFDC).

$68 million per year in lost funding for education, job training, the environment, housing, and other areas.

Vermont would have to increase state taxes by 17.4 percent across-the-board to make up for the loss in grants.

II. A Balanced Budget Amendment combined with the ''Contract with America'' tax cuts would require even deeper spending cuts, thereby reducing annual Federal grants to the Vermont state government by $284 million.

$122 million per year in lost funding for Medicaid.

$51 million per year in lost highway trust fund grants.

$18 million per year in lost funding for welfare (AFDC).

$93 million per year in lost funding for education, job training, the environment, housing, and other areas.

Vermont would have to increase state taxes by 23.9 percent across-the-board to make up for the loss in grants.

III. A Balanced Budget Amendment and the ''Contract with America'' tax cuts would reduce other annual Federal spending in Vermont by $413 million.

$206 million per year in Medicare benefits.

$207 million per year in other spending including housing assistance, student loans, veterans' benefits, and grants to local governments.

THE IMPACT OF A BALANCED BUDGET AMENDMENT AND THE CONTRACT WITH AMERICA ON THE STATE OF VIRGINIA

I. A Balanced Budget Amendment would reduce annual Federal grants to the Virginia state government by $1.0 billion.

$490 million per year in lost funding for Medicaid.

$72 million per year in lost highway trust fund grants.

$49 million per year in lost funding for welfare (AFDC).

$393 million per year in lost funding for education, job training, the environment, housing, and other areas.

Virginia would have to increase state taxes by 8.2 percent across-the-board to make up for the loss in grants.

II. A Balanced Budget Amendment combined with the ''Contract with America'' tax cuts would require even deeper spending cuts, thereby reducing annual Federal grants to the Virginia state government by $1.4 billion.

$673 million per year in lost funding for Medicaid.

$99 million per year in lost highway trust fund grants.

$68 million per year in lost funding for welfare (AFDC).

$539 million per year in lost funding for education, job training, the environment, housing, and other areas.

Virginia would have to increase state taxes by 11.2 percent across-the-board to make up for the loss in grants.

III. A Balanced Budget Amendment and the ''Contract with America'' tax cuts would reduce other annual Federal spending in Virginia by $8.3 billion.

$1.9 billion per year in Medicare benefits.

$6.4 billion per year in other spending including housing assistance, student loans, veterans' benefits, and grants to local governments.

THE IMPACT OF A BALANCED BUDGET AMENDMENT AND THE CONTRACT WITH AMERICA ON THE STATE OF WASHINGTON

I. A Balanced Budget Amendment would reduce annual Federal grants to the Washington state government by $1.3 billion.

$730 million per year in lost funding for Medicaid.

$117 million per year in lost highway trust fund grants.

$126 million per year in lost funding for welfare (AFDC).

$346 million per year in lost funding for education, job training, the environment, housing, and other areas.

Washington would have to increase state taxes by 8.4 percent across-the-board to make up for the loss in grants.

II. A Balanced Budget Amendment combined with the ''Contract with America'' tax cuts would require even deeper spending cuts, thereby reducing annual Federal grants to the Washington state government by $1.8 billion.

$1.0 billion per year in lost funding for Medicaid.

$161 million per year in lost highway trust fund grants.

$172 million per year in lost funding for welfare (AFDC).

$474 million per year in lost funding for education, job training, the environment, housing, and other areas.

Washington would have to increase state taxes by 11.5 percent across-the-board to make up for the loss in grants.

III. A Balanced Budget Amendment and the ''Contract with America'' tax cuts would reduce other annual Federal spending in Washington by $4.9 billion.

$1.5 billion per year in Medicare benefits.

$3.4 billion per year in other spending including housing assistance, student loans, veterans' benefits, and grants to local governments.

THE IMPACT OF A BALANCED BUDGET AMENDMENT AND THE CONTRACT WITH AMERICA ON THE STATE OF WEST VIRGINIA

I. A Balanced Budget Amendment would reduce annual Federal grants to the West Virginia state government by $765 million.

$488 million per year in lost funding for Medicaid.

$45 million per year in lost highway trust fund grants.

$32 million per year in lost funding for welfare (AFDC).

$199 million per year in lost funding for education, job training, the environment, housing, and other areas.

West Virginia would have to increase state taxes by 20.6 percent across-the-board to make up for the loss in grants.

II. A Balanced Budget Amendment combined with the ''Contract with America'' tax cuts would require even deeper spending cuts, thereby reducing annual Federal grants to the West Virginia state government by $1.0 billion.

$670 million per year in lost funding for Medicaid.

$62 million per year in lost highway trust fund grants.

$44 million per year in lost funding for welfare (AFDC).

$273 million per year in lost funding for education, job training, the environment, housing, and other areas.

West Virginia would have to increase state taxes by 28.3 percent across-the-board to make up for the loss in grants.

III. A Balanced Budget Amendment and the ''Contract with America'' tax cuts would reduce other annual Federal spending in West Virginia by $1.7 billion.

$824 million per year in Medicare benefits.

$835 million per year in other spending including housing assistance, student loans, veterans' benefits, and grants to local governments.

THE IMPACT OF A BALANCED BUDGET AMENDMENT AND THE CONTRACT WITH AMERICA ON THE STATE OF WISCONSIN

I. A Balanced Budget Amendment would reduce annual Federal grants to the Wisconsin state government by $1.3 billion.

$694 million per year in lost funding for Medicaid.

$111 million per year in lost highway trust fund grants.

$96 million per year in lost funding for welfare (AFDC).

$349 million per year in lost funding for education, job training, the environment, housing, and other areas.

Wisconsin would have to increase state taxes by 10.3 percent across-the-board to make up for the loss in grants.

II. A Balanced Budget Amendment combined with the ''Contract with America'' tax cuts would require even deeper spending cuts, thereby reducing annual Federal grants to the Wisconsin state government by $1.7 billion.

$952 million per year in lost funding for Medicaid.

$153 million per year in lost highway trust fund grants.

$132 million per year in lost funding for welfare (AFDC).

$479 million per year in lost funding for education, job training, the environment, housing, and other areas.

Wisconsin would have to increase state taxes by 14.2 percent across-the-board to make up for the loss in grants.

III. A Balanced Budget Amendment and the ''Contract with America'' tax cuts would reduce other annual Federal spending in Wisconsin by $3.4 billion.

$2.1 billion per year in Medicare benefits.

$1.3 billion per year in other spending including housing assistance, student loans, veterans' benefits, and grants to local governments.

THE IMPACT OF A BALANCED BUDGET AMENDMENT AND THE CONTRACT WITH AMERICA ON THE STATE OF WYOMING

I. A Balanced Budget Amendment would reduce annual Federal grants to the Wyoming state government by $218 million.

$55 million per year in lost funding for Medicaid.

$38 million per year in lost highway trust fund grants.

$8 million per year in lost funding for welfare (AFDC).

$118 million per year in lost funding for education, job training, the environment, housing, and other areas.

Wyoming would have to increase state taxes by 18.7 percent across-the-board to make up for the loss in grants.

II. A Balanced Budget Amendment combined with the ''Contract with America'' tax cuts would require even deeper spending cuts, thereby reducing annual Federal grants to the Wyoming state government by $300 million.

$75 million per year in lost funding for Medicaid.

$52 million per year in lost highway trust fund grants.

$10 million per year in lost funding for welfare (AFDC)

$162 million per year in lost funding for education, job training, the environment, housing, and other areas.

Wyoming would have to increase state taxes by 25.7 percent across-the-board to make up for the loss in grants.

III. A Balanced Budget Amendment and the ''Contract with America'' tax cuts would reduce other annual Federal spending in Wyoming by $393 million.

$131 million per year in Medicare benefits.

$262 million per year in other spending including housing assistance, student loans, veterans' benefits, and grants to local governments.

BALANCED BUDGET AMENDMENT—ESTIMATION OF STATE-BY-STATE EFFECTS

The following description provides information on the estimation and allocation of spending cuts under two scenarios that achieve a balanced budget by FY2002 without tax increases and with Social Security and defense excluded from spending reductions. The second scenario differs from the first in that it also incorporates a set of deficit-increasing provisions in the Contract with America (CWA). These provisions are all tax reductions except for a spending increase associated with relaxation of the Social Security earnings test. No specific defense spending increases discussed in the CWA are reflected in the simulations.

Step 1: Derive size of aggregate budget cuts

Congressional Budget Office (CBO) baseline estimates of the Federal deficit were taken from Table 4 of the preliminary Economic and Budget Outlook dated January 5, 1995. Equal yearly deficit reductions, beginning in FY1996, were then computed which were sufficient to achieve a balanced budget by FY2002.

The required cuts take into account the interest savings that would result from lower deficits and debt; a 6.7 percent rate of interest was assumed throughout based on long-term CBO projections of the 10-year Treasury note rate. The estimates are static in nature and reflect no macroeconomics feedback—e.g., lower economic growth resulting from the contractionary effects of deficit reduction or higher growth resulting from lower tax rates. Deficit-reducing spending and tax changes of $248 billion, or 22.5 percent of noninterest, non-Social Security spending, would have to be made in FY2002 to achieve a balanced budget. The required cumulative deficit reduction is approximately $1.3 trillion, of which about $0.2 trillion occurs through interest savings.

A similar procedure was used to derive required spending reductions with the CWA's tax cut and Social Security spending amounts (and associated interest carrying costs) added to the CBO deficit baseline. Estimated revenue effects of the proposed tax reductions were obtained from the Treasury Department, Office of Tax Analysis. Annual costs of the proposed relaxation of the Social Security earnings test were taken from a National Economic Council staff working paper, September 20, 1994. The required percentage spending reduction is 30.9 percent in this scenario. The aggregate required cuts in total spending in FY2002 total $340 billion.

Step 2: Derive allocation parameters for states

Grants to state and local governments, as well as Social Security, defense, and other Federal spending, are reported in Federal Expenditures by State for Fiscal Year 1993. Our analysis divides intergovernmental grants into four components. Aid to Families with Dependent Children, Medicaid, highway trust fund grants, and all Other. It was assumed that all grants in the first three of these categories went directly to state governments. To estimate the local share of the Other category, we used estimates of total 1992 intergovernmental revenues from Federal to local governments in each state, as reported in the August 1994 Census publication Government Finances, 1991–92: Preliminary Report. These state-by-state estimates were divided by the Government Finances estimates of Federal revenues to states and localities combined, less the values of AFDC, Medicaid, and highway grants from the FY1992 edition of Federal Expenditures by State. It should be emphasized that discrepancies between the Government Finances and Federal Expenditures aggregates, resulting from different definitions and sources, make this local vs. state, decomposition of Other grants an imprecise process.

State tax revenues for the average of the 1990 and 1992 fiscal years was also taken from issues of Government Finances. The use of two years at different points in the business cycle was designated to mitigate cyclical influences on projected revenue.

Step 3: Project FY2002 Grants and State Taxes

CBO's projected levels for FY2002 for Social Security, Medicare, and most other major spending categories were taken from the above-mentioned CBO report. For defense spending, the Administration's project of FY2000 defense outlays was inflated by the annual rate of growth to total discretionary spending from FY2000 to FY2002 in the CBO projections.

The projection of grant amounts was also derived from the long-term CBO budget forecast. AFDC grants were projected using the ratio of 2002 to 1993 values of Other Mandatory spending as reported by CBO, respectively, in the January 5 report and on page 37 of The Economic and Budget Outlook: Update dated August 1994. (Unpublished figures on FY1993 Civil Service and military retirement spending were obtained from CBO.) Highway trust fund grants were projected using the ratio of 2002 to 1993 values of domestic discretionary spending; the 2002 value was estimated as estimated total nondefense discretionary spending multiplied by the FY2002 ratio of domestic to the sum of international and domestic discretionary spending in Table 4 of the January 5 report.

The category of Other grants was decomposed into discretionary and mandatory components. The Other mandatory component was defined to include: Agricultural Marketing Service Funds for strengthening markets (Section 32); child nutrition programs; food stamp grants; special milk program; national grasslands payments to counties; social services block grants; foster care and adoption assistance; assistance for legalized aliens; other Administration for Children and Families grants; and Supplemental Security Income grants. These were projected in the same manner as AFDC, while the residual Other discretionary grants were projected in the same manner as highway grants.

Total baseline state taxes were projected to move in proportion to nominal U.S. Gross Domestic Product. The projection of GDP for calendar year 2000 was taken from Table 1 of the CBO January 5 report and increased by three years of assumed 2.3 percent real growth and 2.8 percent increases in the GDP price deflator. The growth in nominal GDP between 1991 and 2002 was converted to a per capita basis. Individual state taxes in FY2002 were then estimated by multiplying 1990–1992 state population growth and the growth in U.S. per capita GDP. State population totals for 2000 and 2010 were drawn from the 1994 Statistical Abstract, and our estimates for 2002 were interpolations of the 2000 and 2010 values.

Step 4: Derive required grant reductions and state tax increases

The percentage reductions in FY2002 grants and other spending components necessary to achieve budget balance were, by assumption, equal to the aggregate rate computed for all nondefense, non-Social Security spending. Finally, the percentage increase in the state tax levels necessary to make up the dollar loss in Federal grants to each state was computed.—Office of Economic Policy, Department of the Treasury, January 11, 1995.

HIGH COST OF A BALANCED BUDGET AMENDMENT

(By Richard Kogan)

Advocates of the Balanced Budget Amendment to the Constitution do not intend to jeopardize the life savings of America's families, or threaten the stability of the nation's banks. As written, however, the amendment could do just that.

Currently, America's savings are safe. The Federal Deposit Insurance Corp. (FDIC) guarantees individual deposits in banks and thrift institutions up to $100,000 per account. Depositors rely on the U.S. government to keep its word, quickly and automatically; if a bank goes broke, the government makes good on deposits. Deposit insurance claims are enforceable in court.

Now look at the Balanced Budget Amendment. It begins, ''Total outlays for any fiscal year shall not exceed total receipts for that fiscal year, unless three-fifths of the whole number of each house of Congress shall provide by law for a specific excess of outlays over receipts by a roll-call vote.'' This deceptively simple concept—that the federal budget must be balanced each eyar—would inadvertently cast doubt over the ''full faith and credit'' of the U.S. government, putting all federal guarantees, including deposit insurance, at risk.

Here's why. During a severe economic downturn, the risk of bank failure is greatest. An economic downturn also produces (or exacerbates) federal budget deficits as tax revenues decline and spending for programs such as unemployment compensation increases. At such time, the government would lack the extra revenues it could need to cover the large costs of rescuing depositors and the banking system. Under current law, deposit insurance claims are automatically paid as needed, regardless of the deficit. Under the amendment, if deposit insurance payments would cause a deficit, might not those payments be prohibited? Don't forget that the measure would amend the Constitution, while deposit insurance and other such guarantees are only statutes.

American banking was not always protected. The Great Depression was so steep—the economy shrank almost 30 percent from 1929 to 1933—in part because there was no deposit insurance. Some lost all their savings. A rumor that a bank was in trouble prompted panic, with depositors rushing to withdraw their savings. Even false rumors caused banks to collapse.

One of President Roosevelt's first acts was to close the banks while Congress enacted deposit insurance. The banks reopened, citizens could redeposit their funds in safety and the economic collapse ended. Deposit insurance became the first and best economic stabilizer. It is one reason that no post-war recession has shrunk the economy more than 3½ percent.

Doesn't the FDIC charge annual fees to banks, building up large balances, which would automatically be available in a banking crisis?

Not after the amendment. It prohibits spending borrowed funds. Incredibly, it also prohibits using accumulated savings; it requires that all federal spending in any fiscal year be covered by that year's revenues. This requirement is like telling a family to finance a new house or a child's college tuition out of that year's wages, no matter how much money the family has in the bank. In this case, the amendment precludes a sudden increase in deposit insurance payments if that increase would cause federal spending to exceed federal revenues in that year, no matter how much the FDIC has ''in the bank.''

There are two possible ways out. First, Congress could raise taxes or cut other spending by enough to offset deposit insurance costs. But the potential size of those payments shows why they could not be easily offset. The recent restructuring of the savings and loan industry required deposit insurance payments of $156 billion over four years, $66 billion in 1991 alone. And the government's deposit insurance guarantee covers private savings of $2.7 trillion. These amounts are too large to be offset by a single year's tax increases or spending cuts.

Second, there is the escape hatch. By a three-fifths vote, Congress could choose to pay deposit insurance and allow deficit spending. But it is hardly automatic that Congress would respond in a timely manner (or at all), even in a pending crisis. In August 1941 Congress barely mustered a majority to extend the draft, even though Hitler had already marched across half of Europe. In the current debate, neither the Senate nor the House could find a majority to write into the amendment an exception for recessions. Finding three-fifths majorities in each House of Congress is significantly more difficult. By the time Congress fully understands the scope of a developing banking crisis and gathers the three-fifths vote (if it can), the problem would have grown, perhaps to a dangerous degree.

Taking the amendment at face value, then, legal commitments made by the U.S. government would no longer be binding. When economic troubles arose and the banking system, depositors and the economy as whole most needed it, those ''commitments'' could prove ephemeral.

[From the New York Times, Feb. 21, 1995]

THE PITFALLS OF A BALANCED BUDGET: DISMANTLING A DECADES-OLD SYSTEM FOR SOFTENING RECESSIONS

(By Louis Uchitelle)

The unemployment rate, which peaked at 7.7 percent after the last recession, could have reached 9 percent if a balanced budget has been required, Government and private economists estimate. And a laid-off worker who collected $12,000 in unemployment pay might have received only $7,000 or so.

Such estimates of the potential economic impact are not emphasized very much, however, in the debate over the balanced budget amendment. So far, the battle has focused on its value as a tool to shrink government or to discipline spending. But if the amendment is enacted, the side effect would be huge: a system that has softened recessions since the 1930's would be dismantled.

''There are risks associated with a balanced budget, and I don't think anyone should deny them.'' said William Hoagland, the Republican staff director for the Senate Budget Committee. ''Nevertheless, the debate on the floor has been dominated by what we must do to get the budget in balance, not what the risks of a balanced budget amendment might be.''

Mr. Hoagland expressed surprise that the biggest risk—deeper, more painful recessions—had not figured significantly in the debate, although Senator Daniel P. Moynihan, Democrat of New York, and Senator Paul S. Sarbanes, Democrat of Maryland, had called attention to this risk in several floor speeches. ''The reason must be that the advocates of a balanced budget see the benefits to the economy as far outweighing the negatives associated with cyclical downturn,'' Mr. Hoagland said. ''That must be what is going on.''

No benefit seems to hold more sway than the view that the amendment would shrink the Federal Government by restricting its power to tax and to spend. A dollar not collected and spent by the Government is a dollar left in the hands of the private sector. And the private sector invariably invests money more efficiently than the Government, this view holds.

THE ''AUTOMATIC STABILIZERS'' OF THE ECONOMY RELY ON DEFICIT SPENDING

''The people have spoken clearly that government is too big and we need to do something about it,'' said Robert Hall, a Stanford University economist who favors smaller government. ''The problem is that the balanced budget amendment is a heavy-handed solution and risky.''

The biggest risk is to the nation's ''automatic stabilizers,'' which have made recessions less severe than they were in the century before World War II. The stabilizers, an outgrowth of Keynesian economics, work this way: When the economy weakens, outlays automatically rise for unemployment pay, food stamps, welfare and Medicaid. Simultaneous, as incomes fall, so do corporate and individual income tax payments. Both elements make more money available for spending, thus helping to pull the economy out of its slump.

The problem, of course, is that the stabilizers make the deficit shoot up—by roughly $65 billion as a result of the 1990–1991 recession, according to the Treasury Department. Under the balanced budget amendment, Congress and the Administration would be required to get the budget quickly back into balance, through spending cuts, higher tax rates, or a combination of the two—perhaps even in the midst of a recession.

''The Government would become, almost inevitably, a destabilizer of the economy rather than a stabilizer,'' said Joseph Stiglitz, a member of the President's Council of Economic Advisers. Many economists share that view.

Absent the stabilizers, every 73-cent drop in national income in the last recession would have become a $1 drop, said Bradford DeLong, deputy assistant Secretary of the Treasury, who as a Harvard economist studies this dynamic and recently updated his research. Of the 27 cents in cushioning, 20 cents came from falling tax revenue and 7 cents from the higher spending.

Economists outside the Government offer similar estimates. Ray Fair of Yale University, for example, said for every $10 billion decline in national income during a recession, the deficit rises by $2 billion, as the stabilizers kick in with their higher spending and lower tax revenue.

''We ought not to give up the stabilizers,'' Professor Fair said. ''That would be very Draconian.''

Nearly every economist agrees that the American economy requires, if not stabilizers, some substitute method for offsetting recessions in an era of balanced budgets. And those who favor the amendment are no exception.

''It would be a disaster to lose the stabilizers,'' said C. Fred Bergsten, director of the Institute of International Economics, who endorses the amendment as a necessary step if the nation is to afford the high cost of Social Security and Medicare for the baby boom generation, which reaches retirement age early in the next century.

Mr. Bergsten notes that the amendment, as now worded, would permit Congress to bring back the stabilizers by a three-fifths vote in both houses. The vote would permit the necessary deficit spending to finance the stabilizers.

While a three-fifths vote is a big hurdle, Mr. Bergsten and others argue that Congress would get used to authorizing the necessary deficits during recessions. Nevertheless, he would prefer a different solution. Once

through the painful process of balancing the budget by 2002, as required by the amendment, then the Government should run budget surpluses in years of strong economic growth and full employment, Mr. Bergsten said.

The surpluses would cover the rising costs of the stabilizers during recessions. ''You could go down to a balanced budget in the hard years, and still give the economy a little stimulus,'' he said.

IS MONETARY POLICY ENOUGH TO BOLSTER THE U.S. ECONOMY IN TOUGH TIMES?

The Congressional Budget Office has estimated that the surplus needed to pay for the stabilizers during a recession as severe as that of 1981–1982, the worst since World War II, would be 1 percent of the national income during robust periods of full employment, and perhaps as much as 1.5 percent.

That would mean an annual surplus in today's dollars of $70 billion to $100 billion, rather than the nearly $200 billion or so in annual deficits expected under current policy. Most of the $200 billion is to help pay for programs like highway construction and new weaponry that have fixed costs and do not fluctuate with the ups and downs of the economy, as unemployment pay, food stamps, tax revenues and the other stabilizers do.

Some economists—including Milton Friedman, a Nobel laureate in economics who is with the Hoover Institute—hold that the stabilizers, despite the ballyhoo, are no longer so important. The Federal Reserve, through monetary policy, can more than offset their disappearance by lowering interest rates an extra notch or two to give the economy an additional stimulus in hard times.

''I have looked at many episodes in the world in which monetary policy went one way and fiscal policy the other, and I have never found a case in which monetary policy did not dominate,'' Mr. Friedman said. He favors a balanced budget amendment that would shrink the Federal Government by putting a ceiling on the tax increases that could be enacted to balance the budget.

But the Clinton Administration and even Federal Reserve officials question whether monetary policy could alone handle the task of reviving an economy in recession. The stabilizers, they note, kick in automatically—before the Federal Reserve and most economists often realize that the economy is falling toward recession.

A recession might be well along and getting deeper before the Fed recognized the problem and began to drop rates. The lower rates, in turn, would not be felt in the economy for a year to 18 months, the traditional lag. And even if the Fed acted quickly enough, the economy would behave in new and different ways without the stabilizers.

''My guess is that we would get it wrong the first time we went into recession, making that recession much deeper than it should be,'' said a Federal Reserve official, who spoke on condition that he not be identified. ''But we would learn from that experience and do a better job thereafter.''

[From Newsweek, Jan. 30, 1995]

CORRUPTING THE CONSTITUTION: BALANCE THE BUDGET, BUT NOT BY AMENDMENT

(By Robert J. Samuelson)

The Constitution is not a sledgehammer. It embodies broad principles of government and enduring national values. As such, it commands deep public respect and even reverence. There's a temptation to think that its power and mystique can bludgeon public opinion into convenient consensus on hard issues. It can't, and the exercise shouldn't be tried. The balanced-budget amendment—to be debated by Congress this week—promises just such a popular conversion. The proposal is a very bad idea.

You should not confuse balancing the budget, which in general is desirable, with the undesirability of using the Constitution to do it. Just because the Constitution requires a balanced budget does not mean that the budget will be balanced. If an amendment were regularly flouted, then the budgetary impasse would become a constitutional crisis. ''The first principle of a conservative should be: don't muck with the Constitution,'' says constitutional scholar Robert Goldwin of the American Enterprise Institute.

By this standard, Congress has lots of Republicans but few conservatives. The amendment's advocates essentially embrace a theory of immaculate consensus. No one wants to confront the inconsistencies of public opinion—the simultaneous desires for lower taxes, higher spending and no tampering with social security—that cause budget deficits. Instead, an amendment is supposed to dissolve these inconsistencies. Congress can't control ''its deficit addiction without the strong therapy of a constitutional mandate to make it get clean and sober,'' proclaims Orrin Hatch, chairman of the Senate Judiciary Committee.

All recent major amendment proposals have been similarly inspired; they aimed to pervert the Constitution by using it to settle passionate public disputes. The school-prayer, ''equal rights'' and anti-abortion amendments all fit this description. None succeeded, because the Founders did not intend for the Constitution to be so used. They set high hurdles for amendments (two-thirds congressional approval, then ratification by three quarters of the states). Although Prohibition—the 18th Amendment—overcame these barriers, it showed the folly of using the Constitution for consciousness-raising.

Congress passed it in 1917 in a ''mood of Spartan idealism'' created by World War I, wrote historian Frederick Lewis Allen. If the war would ''end all wars,'' then Americans could imagine an ''era of efficient sobriety!'' The actual result was rampant lawlessness: bootleggers, speak-easies and gangsterism. Congress was complicit because—caught between demands for tougher enforcement and for repeal—it did neither. Finally, the amendment was repealed in 1933.

The plain lesson that the Constitution can't singlehandedly impose consensus is now ignored. The amendment's proponents echo the simple moralisms of prohibitionists; note Senator Hatch's identical imagery (''get clean and sober''). The reality is bound to be grittier. Consider three broad possibilities and their probability if Congress passes the amendment.

It's ratified by the states—and it works. Intimidated, Congress and the president end programs (farm subsidies, public TV) and trim entitlements (social security, Medicare). Because a deficit remains, they also raise taxes. Finally, they pass long-term social-security and Medicare reforms to prevent huge deficits when baby boomers retire. (Probability, generously: 20 percent.)

It isn't ratified. Congressional passage triggers a lobbying and TV blitz aimed at state legislatures by groups that feel threatened (the elderly, farmers, the poor, etc.). State and local officials realize the amendment could be costly; less federal spending on highways, health care and schools will mean more pressure for local spending. (Probability: 40 percent.)

It's ratified—and doesn't work as advertised. Congress balks at visible tax increases or entitlement cuts. Or it regularly votes to run deficits by a three-fifths majority, as the amendment permits. Or it resorts to gimmicks to spend outside ''the budget.'' The amendment has no enforcement mechanism: courts refuse to intervene, because budget choices are deemed ''political'' matters. (Probability: 40 percent.)

Until the 1960s, Americans valued balanced budgets. The respect was rooted in Jeffersonian beliefs that budget balancing checked the ''corruption'' of government, writes political scientist James Savage of the University of Virginia.* Deficits were tolerated in wars and depressions. But the need for discipline was seen, and budgets were balanced in good times. This consensus was destroyed by Keynesian doctrines that deficits could spur the economy. Now, the need is to reverse this: to de-emphasize the budget's use as an economic tool, and to restore a balanced budget as a way of defining what government should and shouldn't do.

BIPARTISAN HYSTERIA

Unfortunately, the balanced-budget amendment serves as an excuse to evade specifics. At present, balancing the budget is not so hard. The deficit equals about 2.5 to 3 percent of national income. Americans will not starve if farm subsidies stop; the elderly will not become destitute if cost-of-living adjustments are trimmed; the economy will not collapse if taxes are raised modestly. Changes are horrific only if any spending cuts or tax increases are considered intolerable. The harder issues involve adjusting programs for baby boomers' retirement.

Yet, budget hysteria is bipartisan. House Majority Leader Richard Armey won't say how Republicans would balance the budget because ''once members of Congress know exactly, chapter and verse, the pain . . . to get to a balanced budget, their knees will buckle.'' President Clinton condemns GOP silence. But he has not proposed a balanced budget; all the White House plugs is ''deficit reduction.'' Worse, it tries to terrify people about the harsh tax hikes or spending cuts needed to balance the budget.

The resort to the Constitution is a reckless gambit that could backfire in many ways. It postpones necessary choices and, perversely, could make the choices harder by mobilizing threatened groups against ratification. But mostly it assaults our political culture. The Constitution stands above ordinary disputes; that's why it's respected. The amendment imperils this. Instead of elevating the budget debate, it may lower the Constitution.

[From the New York Times, Jan. 24, 1995]

STATE OF THE UNION? SOMEDAY, PARALYZED

(By Paul Starr)

PRINCETON, N.J. When the Framers replaced the Articles of Confederation with the Constitution, they gave the Government unqualified and unimpeded fiscal powers. Today, a new Republican majority in Congress proposes to overturn that decision. Speaker Newt Gingrich says he intends to reverse the growth of the Federal Government's role in society since 1932. The legacy he challenges, however, is not only that of Franklin D. Roosevelt but more fundamentally that of Alexander Hamilton.

As President Clinton delivers his State of the Union Message tonight, many Americans will wonder about the fate of particular programs and policies in the new Congress. But the larger question raised by the Republicans is the Government's capacity to act, for they propose not just to shrink programs but to impose a permanent constitutional straightjacket that is likely to paralyze the Government in future crises.

The Constitution is a parsimonious document, unencumbered with detailed policy prescriptions. This restraint expressed confidence in representative government; it left

the people's future representatives free to confront problems the Founders knew they could not anticipate. As Hamilton explains in ''The Federalist'' (No. 30), it was imprudent to set any limit to the new government's taxing power because there was no clear limit to the demands that might be placed upon it. The Constitutional Convention deliberately rejected requirements for supermajorities: impediments to revenue-raising had helped make the Articles of Confederation unworkable.

Today's Republican majority apparently believes it is more capable of making fiscal policy for future generations than were the Founding Fathers. It seeks to prescribe a balanced-budget amendment, to require a three-fifths supermajority for tax increases and to prohibit the Government from imposing requirements on the states except when it assumes 100 percent of the costs.

These measures are frankly intended to disable a Government that many Americans say they no longer trust. Yet those measures severely weaken the Government's capacity to achieve any purpose. They hand weapons to minorities to obstruct majorities: a minority in either house would be able to impede preparations for national defense as well as spending on the poor.

If in the pursuit of a balanced budget in the year 2002, we cut Medicare and social programs and provoked an inevitable angry reaction, it would be all the harder to find money for purposes that conservatives prefer, whether ''Star Wars'' defense systems, more prisons or intensified border patrols.

The Government's capacity to act is a resource as much for conservative as for liberal purposes. So those who are planting a time bomb under the welfare state may see it explode in their own faces.

The comeuppance could be much more serious for the nation than for any party. The dangers would likely be greatest in a recession. If revenue fell along with economic activity and if three-fifths of Congress could not agree to run a deficit, the Government would be forced to aggravate the downturn by cutting public expenditures as well—a recipe for turning recessions into depressions.

The Pentagon is committed to maintaining forces prepared to fight two wars simultaneously, but a nation with weakened fiscal powers is much less capable of sustaining such commitments. Our enemies would understand this and act accordingly.

Some critics may dismiss these as empty worries. After all, the amendment, if passed in time, would not require a balanced budget until 2002. But seven years come soon enough. Concerns about the amendment are empty only if the amendment itself is empty of force.

The requirements for supermajorities are the most dangerous element in the Republicans' plan. But even if they reduced voting requirements to an absolute majority of members of Congress—as many Democrats prefer—it would give undue constitutional force to the norm of budget balancing.

Denying the Government the routine power to borrow is a surrender to the medieval view of debt that continues to shape popular attitudes. The introduction of credit cards almost three decades ago prompted overwhelming disapproval in public opinion surveys; meanwhile, Americans got the cards in droves.

There has never been a time—not even during the New Deal—when public opinion surveys failed to register overwhelming disapproval of government deficits. Yet Americans' disapproval of deficits ought to be taken as a mandate for constitutional prohibition about as seriously as their disapproval of credit cards was taken as grounds for outlawing charge accounts. Credit cards have not doomed the economy, nor will Federal deficits.

The problem of the deficit is its long-term rate of growth, which is due almost entirely to projected health care costs. There are no more grounds for making a zero deficit a constitutionally required objective than for denying corporations or families the ability to borrow. Federal deficits of 1 or 2 percent of the gross domestic product are entirely manageable. If the outstanding debt is inflation-adjusted annually, deficits of that scale typically do not amount to a real increase in the debt anyway.

Judge Robert Bork opposes the amendment as unworkable. So do other jurists, who think that if Congress used accounting gimmicks to portray an unbalanced budget as balanced, the courts would have no competence to enforce the amendment. And some state officials worry that the burdens of Federal cutbacks would be passed on to them. If the Senate does not derail the amendment, such objections may well do so.

The original rationale for constitutional parsimony still stands. We will never know enough about the future to predict the tests that democratic government will face. More than 200 years of American history should assure us that the Republic not only can survive without constitutionally imposed fiscal restrictions, it has been better off without them.

If the Constitution had required a balanced budget, many members of Congress would not sit there today: for one thing, Thomas Jefferson could never have completed the Louisiana Purchase.

Hamilton's legacy of unimpeded fiscal power has been crucial to a system of government that has brought us through wars, depressions and natural calamities to an unchallenged position as the strongest nation on earth.

During the Depression, World War II and the cold war, there was a ready-made answer to questions about why we needed a strong Federal Government. The crisis of Government capacity has erupted today in part because there is no longer any shared sense of the Government's overriding mission. But depressions and wars have not been banished forever; rules we adopt now must be good when the world turns bad. Constitutionalizing fiscal policy is bad for the Constitution and bad for fiscal policy. It would make a mockery of one or a failure of the other, or both.

[From the Washington Post, Jan. 22, 1995]

ANY WAY ITS PROPONENTS SLICE IT, BALANCED-BUDGET AMENDMENT IS BALONEY

(By Hobart Rowen)

The case against a constitutional amendment to balance the budget is overwhelming. It has been hyped by Democrats and Republicans alike as the only way to force reluctant congressmen to make tough decisions, and there is no doubt that a large segment of the public has come to believe this propaganda.

But the truth is that an amendment to the Constitution for this purpose is bad economics, bad budget policy and bad constitutional policy. By itself, such an amendment would cut neither a dollar nor a program from the federal budget. As Office of Management and Budget Director Alice S. Rivlin told the Senate Judiciary Committee on Jan. 5, ''most of all, it evades the hard choices needed to achieve real deficit reduction.''

Why is the constitutional amendment bad economics? In an interview, Council of Economic Advisers Chairman Laura D'Andrea Tyson points out that the beauty of the present fiscal system is that it contains automatic stabilizers that moderate economic activity whenever business activity weakens. Thus, when workers lose jobs, unemployment compensation rises and it cushions the slide. If business profits are off, then tax liabilities decline. These events boost the government deficit, thus offsetting to some degree the decline in the private sector.

''But the balanced budget amendment would take away these automatic stabilizers when the economy is slowing down,'' Tyson said. It would force the government to raise taxes or cut spending to cover the increasing deficit that a slowing economy was generating. Rivlin puts it this way: ''Fiscal policy would exaggerate, rather than mitigate, swings in the economy. Recessions would tend to be deeper and longer.''

Meanwhile, the House Republican version of the amendment wrongly (and possibly unconstitutionally) requires a three-fifths majority of each house of Congress to increase revenue, run budget deficits or increase the public debt. There is supposed to be a safety valve to permit a deficit in time of real economic weakness. But who in Congress is a good enough forecaster to sense when the safety valve should be opened? As Rivlin said, in all likelihood, ''the damage would be done long before we recognize that the economy is turning down.''

Why would the amendment also be bad constitutional policy? Not only would it put fiscal policy, as outlined above, in a straitjacket, it would denigrate the document that deals with the big issues—individual rights, the system of separation of powers, the ultimate guarantor of our system of liberties in effect since 1776. It would force the courts to adjudicate disputes certain to arise.

Meanwhile, what are the hard choices being avoided? The Republicans who are pushing the ''Contract With America'' freely concede that to balance the budget by the year 2002, as called for by the amendment, would cost $1.2 trillion in cuts in the various big entitlement programs—Social Security, Medicare, Medicaid and other pensions. But they aren't prepared to make them. Rep. Richard K. Armey of Texas, House majority leader, said forthrightly that if members of Congress understood the full dimension of what is involved, ''they would buckle at the knees.''

But wait, there's more than $1.2 trillion involved: Because of the new tax cuts and other ''reforms'' proposed in the Republican ''Contract,'' there is an additional $450 million that would have to be found by 2002—making a net reduction of $1.65 trillion.

But the story isn't over—and this is the most significant missing piece.

The bland assumption is that if somehow a miracle is accomplished—the huge $1.65 trillion cuts are made to balance the budget by 2002—the budget will continue to be in balance. Not so! The dirty little secret is that within a few years after 2002, as the Kerry-Danforth entitlement commission report showed, the workplace demographics begin to explode, and with that, the budget deficit. Fewer workers in the labor force supporting Social Security pensioners will drive the Social Security trust fund deep into the red. Once again, the budget will be unbalanced, perhaps more so than before—and the game must start over again.

Clearly, the balanced-budget amendment is bad business. Congress should reconsider the whole plot. The real goal, in the first place, should not be to balance the budget but to balance the economy. The deficit needs to be cut back sharply, but to aim at a balance in 2002 or 2012 is self-defeating. There will be some years ahead when the nation may need to run a deficit—and it shouldn't be afraid to make such decisions.

The need now is to put aside the gimmickry, forget the constitutional amendment and for the Clinton administration and the Republican Congress to attend to business. A little maturity, please!

[From the New York Times, Feb. 27, 1995]

UNBALANCED AMENDMENT

Tomorrow's vote in the Senate on the balanced-budget amendment is crucial for the Republican agenda to chop Government programs into bits. The outcome is also crucial to the nation because the pernicious amendment would do enormous fiscal damage. Proponents are alarmingly within three votes of winning.

The core of the amendment would require the Government to balance its books unless three-fifths of the House and Senate vote to run a deficit. To the wavering Democrats—John Breaux of Louisiana, Sam Nunn of Georgia, Wendell Ford of Kentucky, and Kent Conrad and Byron Dorgan of North Dakota—here are five unassailable reasons to vote no.

UNNECESSARY

Federal deficits have indeed been too high. That poses a threat that borrowing will siphon savings away from productive private investments.

But the fact that borrowing must be contained does not imply it ought to be eliminated—any more than family borrowing, to buy a house or pay college tuition, need be eliminated. A prudent rule would keep Federal debt growing less quickly than incomes. This rule would justify deficits of about $200 billion a year, close to current levels.

MISLEADING

Proponents claim the amendment would protect future generations against ruinous interest payments. True, today's children will owe taxes when they grow up to pay interest on Federal debt. But proponents ignore the fact that the tax payments will flow right back to these children as owners of Government bonds.

UNENFORCEABLE

Because key terms of the amendment—like outlays and receipts—are undefined, Congress will be able to manipulate and evade. Can Congress create independent agencies or find other ways to spend and borrow off the Government books? A Senate committee has already written into the legislative record, used to guide future court decisions, that the Tennessee Valley Authority would be exempt from the amendment. It should take lawyers five minutes to stretch whatever ''principle'' guides that exception to scores of other Government programs.

The amendment also fails to provide an enforcement mechanism. I might simply become an empty gesture or, worse yet, the courts might step in to tell Congress how much it should tax and where it should spend.

IRRATIONAL

Federal bookkeeping lumps ordinary spending with long-term public investments. Congress, forced by the amendment to cut quickly, would go after hugely expensive, though vitally important, investments, such as scientific research, costly laboratories and equipment, job training or other investments that would not produce benefits for years, if not decades.

RECKLESS

When the economy slows, tax revenues fall off and spending on unemployment insurance and food stamps rises. This automatic rise in the deficit, by triggering spending, serves to mitigate the slowdown. But under the proposed amendment, Congress could easily turn a mild downturn into something worse. Unless a three-fifths supermajority saves the day, Congress would have to raise taxes and cut spending in a slow economy—the opposite of responsible stewardship.

Take another unintended consequence. When savings and loans went bankrupt during the 1980's, the Federal Government bailed out depositors with borrowed money, thereby preventing a banking panic. But under the proposed amendment, the Government could not react instantly unless a supermajority in Congress approved.

The balanced-budget amendment appeals to taxpayers who demand that the Government spend their money wisely. But Senators Nunn, Ford, Conrad, Dorgan and Breaux need to recognize that this honorable sentiment cannot be wisely embedded into the Constitution.

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

Mr. HATCH. Mr. President, I notice the Senator from Massachusetts is here. If I can, I would like to make a few comments.

Mr. President, the gist of the amendments of the distinguished Senator from West Virginia numbered 252 and 254 is that the majority provisions of House Joint Resolution 1 are undemocratic and alter the fine balance in the Constitution between the branches of Government.

More specifically, as I understand the distinguished Senator from West Virginia, he contends—and I think in the past has eloquently debated the balanced budget amendment—that Congress' control over taxing, spending, and borrowing is diluted by restraints placed on such powers by supermajority requirements of the amendment. According to the distinguished Senator from West Virginia, the democracy reflected by the present majority requirement of Congress would be dealt a blow if this amendment passes.

Naturally, I disagree. The balanced budget amendment furthers the purpose and structure of the Constitution. Indeed, the amendment goes to the very heart of the hope of the Framers of the Constitution for the constitutional system, a system that would protect individual freedom and restrain the size and power of the Federal Government.

In the latter half of this century, however, the intention of the Framers has been betrayed by Congress' own inability to control its spending habits. Passage and ratification of the balanced budget amendment would restore the constitutional Framers' promises of liberty and what the Framers called our republican form of government.

Mr. President, let me first say what the modern day crisis is. Our Nation is faced with the worsening problem of rising national debt and deficits and the increased Government use of capital that would otherwise be available to the private sector to create jobs or to invest in our future. Increased amounts of capital are being wasted on merely financing the debt through spiraling interest costs. This problem presents risk to our long-term economic growth and endangers the well-being of our elderly, our working people, and especially our children and our grandchildren. The debt burden is a mortgage on their future.

Mr. President, the time has come for a solution strong enough that it cannot be evaded for short-term gain. We need a constitutional amendment or requirement to balance our budget. House Joint Resolution 1, the consensus balanced budget amendment, is that solution. It is reasonable. It is enforceable. It is necessary to force Congress to get our fiscal house in order. It not only furthers the economic welfare of our Republic, it fosters the Constitution's purpose of protecting liberty through the framework of limited government.

James Madison, in explaining the theory undergirding the Government he helped to create, had this to say about government and human nature:

> Government [is] the greatest of all reflections on human nature. If men were angels, no government would be necessary. If angels were to govern men, neither external nor internal controls on government would be necessary. In framing a government that is to be administered by men over men, the great difficulty lies in this: You must first enable the government to control the governed; and in the next place oblige it to control itself. A dependence on the people is no doubt the primary control on government; but experience has taught mankind the necessity of auxiliary precautions.

Now, Mr. President, we are here to debate an auxiliary precaution, House Joint Resolution 1, proposing an amendment to the Constitution of the United States to require a balanced budget, because our recent history has shown that Congress is not under control and will not bring spending under control without such a mechanism being placed into the Constitution.

The balanced budget amendment helps restore two important elements in the constitutional structure: limited government and an accountable, deliberative legislative assembly, both of which are vital to a free and vibrant constitutional democracy.

Deliberative assembly—the essence of whose authority is, in Alexander Hamilton's words, ''to enact laws, or in other words to prescribe rules for the regulation of society'' for the common good—was considered by the Framers of the Constitution the most important branch of the Government because it reflected the will of the people. Yet, as the makers of laws, it was considered the most powerful and the one that needed to be guarded against the most.

Recognizing that in republican government the legislative authority necessarily predominates and to prevent elective despotism, James Madison, the father of the Constitution, recommended that the Philadelphia Convention adopt devices in the Constitution that would safeguard liberty. These include bicameralism, separation of powers and checks and balances, a qualified executive veto, limiting congressional authority through enumerating its powers, and, of course,

the election of legislators to assure accountability to the people.

However, in the late 20th century, our century, these constitutional processes that Madison termed auxiliary precautions have failed to limit the voracious appetite of Congress to legislate in every area of private concern, to invade the traditional bailiwick of the States, and consequently, to spend and spend to fund these measures until the Government has become functionally insolvent and the economy placed in jeopardy. Congress has been mutated from a legislative assembly deliberating the economic interests into the playground of special interests.

The balanced budget amendment, Mr. President, will go a long way toward ameliorating this wrong. It will create an additional constitutional process, an auxiliary precaution, if you will, that will bring back legislative accountability to the constitutional system.

The balanced budget amendment process accomplishes this by making Federal deficit spending significantly more difficult. Significantly, it advances liberty by making it more difficult for the Government to fund overzealous legislation and regulation that invades the private lives of citizens.

According to Prof. Harvey Mansfield, Jr., of Harvard, in his scholarly book, ''The Taming of the Prince,'' the real genius of our Constitution is that, having placed all power in the hands of its citizenry, the American people consented to restraints on that power. Understanding that direct or pure democracies in history were inherently unstable and fickle, the Framers placed restraints on popular rule and congressional power, what we now call supermajority requirements.

Senator BYRD is this body's expert on these requirements, but we will mention some of them again, that are in the Constitution now. Article I, section 3, the Senate may convict on an impeachment vote of two-thirds; article I, section 5, each House may expel a Member with a two-thirds vote, a supermajority; article I, section 7, a Presidential veto may be overridden by a two-thirds vote of each House, again, a supermajority in each House; article II, section 2, the Senate advises and consents to treaties, again, by a majority of two-thirds; article V, a constitutional amendment requires two-thirds of each House or a constitutional convention can be called by two-thirds of the State legislatures, three-quarters of the State legislatures must ratify any constitutional amendment—all supermajorities; article VII, the Constitution itself required ratification of 9 of the 13 States, again, a supermajority.

This is not a democracy. This is a representative republic. Our Founding Fathers understood the need to have majorities. The 12th amendment requires a quorum of two-thirds of the States in the House to choose a President. A majority of States is required to elect the President. The same requirements exist for the Senate choosing the Vice President; again, a supermajority. The 25th amendment dealing with the President's competency and removal requires that if Congress is not in session within 21 days after Congress is required to assemble, it must determine by a two-thirds vote of both Houses that the President is unable to discharge the duties of his office. Now, all of those are supermajorities. All of those are part of the Constitution now.

Mr. President, it is indeed ironic as we debate a constitutional amendment following a cloture vote, that arguments are being made that mere majorities are more appropriate to fundamental constitutional decisionmaking than supermajorities. We recently voted on ending this debate, and we were scheduled to vote on that again before we entered into an agreement setting a final vote. A substantial majority expressed its desire to end the debate. A three-fifths vote of Senators—that means 60 Senators—must vote to end debate. Is that rule inappropriate in a constitutional debate? Of course not. As a matter of fact, I think we would have had the 60 votes had we gone to cloture the second time. I think that is one reason why the minority agreed to the time agreement that we now have before the Senate.

The Constitution requires that a supermajority approve a constitutional amendment. To pass the balanced budget amendment, we must have 67 Senators vote for it. Is this inappropriate? Or should we allow some number between 26 and 51, or 50 with the Vice President casting the tie-breaking vote to approve the balanced budget amendment? The Constitution requires that three-quarters of the States ratify the balanced budget amendment. Perhaps our majoritarian friends would prefer that some number of States between 26 and 51 ratify the amendment, with the District of Columbia, Puerto Rico, or Guam casting the tie-breaking vote if the States are evenly divided. That is not the Constitution, however. The Constitution provides for a supermajority.

Mr. President, if majority rule were the fundamental principle of our Government, as I have heard some in this debate say, we would not have the Government we do. We would have a unicameral parliamentary system without judicial review and, indeed, without the Bill of Rights or a written Constitution, because each of those features of our Government is an intrusion into the principle of majority rule, and they are certainly not the only examples.

The first amendment does not say Congress shall not abridge free speech unless a fleeting majority wants to. It does not say that Congress shall not interfere with the free exercise of religion or establish religion unless a majority of those present and voting want to. The first amendment takes those options away from even supermajorities of Congress, except through constitutional amendment. Shall we tear up the Bill of Rights and the Constitution because they contain checks on the power of transient majorities? I do not think so.

As I have said, as Thomas Jefferson said, as even Prof. Laurence Tribe has said, the power of transient majorities to saddle minorities or future majorities with debt is the kind of infringement on fundamental rights that deserves constitutional protection. The Framers wished to protect life, liberty and property. They reacted harshly against taxation without representation. As I pointed out throughout this debate, our deficit spending taxes generations which are not now represented. It takes their property and their economic liberty. It is wholly appropriate that we at least increase the consensus of those currently represented to allow them to shackle those who are not—that is, future generations—with the debt, the taxes and the economic servitude that go with citizenship in a country with high national debt.

Opponents of the balanced budget amendment charge that supermajority requirements will create some new kind of sinister bargaining among factions to gain advantage in return for supporting the necessary consensus. This objection strikes me as strange because that kind of negotiation is as old as the legislative process. It happens now in the search for a majority.

Opponents also charge that the balanced budget amendment writes fiscal policy into the Constitution in an inappropriate way. This amendment deals with the structural problem in our fiscal decisionmaking. We unthinkingly spend money we do not have for temporary benefit to our children's long-term harm. But I would note that the 16th amendment allows taxes to be levied by Congress. Is that not fiscal policy in the same sense as the balanced budget amendment? Article I, section 8 allows Congress to collect taxes, duties, imposts and excises, to borrow money and to regulate commerce. Are not these fiscal policy provisions like the balanced budget amendment? In fact, is not the balanced budget amendment simply a process to safeguard against overuse of the article I power to borrow? Article VI adopted the pre-Constitution debts of the Continental Congress. That was certainly a decision of fiscal policy.

Under the balanced budget amendment, majorities will continue to set budget priorities from year to year. Only if a majority attempts to borrow money from future generations to pay for its priorities would there have to be a supermajority vote. This allows the minority to play the conscience of the Nation and to protect future generations from the type of borrowing sprees that we have seen in recent decades.

I would note that those who believe the supermajority vote would be the

rule rather than the exception betray their mental habit of thinking in terms of deficit spending. We must break this habit and make deficit spending the exception instead of the rule. The balanced budget amendment does not require a supermajority to pass the budget, only a budget that is out of balance. The balanced budget amendment creates a positive incentive for current majorities to avoid borrowing to avoid supermajority votes and risking the kind of intrigue opponents say could happen when supermajorities are required. This is wholly appropriate and reasonable to break Congress of its borrowing habit.

Finally, Mr. President, the amendments offered by the Senator from West Virginia would gut the balanced budget amendment by cutting its central provision, the supermajority requirement it places in the way of Congress' deficit spending. If either of these amendments were adopted, the balanced budget amendment would read in essence: ''Congress shall not spend money it does not have unless it wants to.''

Such a balanced budget amendment would be no balanced budget amendment at all. It would be the status-quo, business-as-usual, let-us-keep-rolling-up-the-debt amendment.

This amendment, or other of these similar amendments, is a poison dart aimed at the heart of the last best hope for the fiscal sanity of Congress and our country. I urge that they both be defeated.

Mr. President, it is absolutely clear that to restore the constitutional concept of limited government and its protection of liberty, as well as to restore fiscal and economic sanity, we must pass this balanced budget amendment. We need the supermajority provisions of House Joint Resolution 1—a modern day ''auxiliary precaution'' in Madison's words—to put teeth into the balanced budget amendment, to be a force to end ''business as usual'' here in Congress and, most importantly, to foster the liberty of limited government that the Framers believed to be essential.

Mr. SARBANES. Mr. President, I just very quickly want to address the argument that was advanced by the chairman of the Judiciary Committee in opposition to Senator BYRD's amendments that are pending at the desk dealing with the supermajorities.

In that statement, he asserted as an argument against Senator BYRD's contention that these supermajority requirements here were running counter to the prevailing theme of the Constitution that a majority ought to prevail, the fact that there were some supermajority requirements put in the Constitution by the Founding Fathers, for example, amending the Constitution or overriding a veto.

I wish to make the point that the very Founding Fathers who put those supermajorities into the Constitution considered at the time whether supermajorities ought to be required in order to make decisions, and they rejected that concept. So they in effect considered the very issue that is before us in this regard and rejected the notion of supermajorities.

So they specifically weighed that question at a time when they did include some supermajorities in very special instances. Obviously, amending the document is a very special instance, and the veto is an essential part of the checks and balances.

I cite the quote of James Madison in Federalist Paper 58 in which he rejects the notion of the supermajorities in order to reach decisions and says in fact in the course of that quote, and I will include all of it in the RECORD, ''It would no longer be the majority that would rule. The power would be transferred to the minority.'' And he spoke, of course, against that proposition.

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

NO. 59: HAMILTON

It has been said that more than a majority ought to have been required for a quorum; and in particular cases, if not in all, more than a majority of a quorum for a decision. That some advantages might have resulted from such a precaution cannot be denied. It might have been an additional shield to some particular interests, and another obstacle generally to hasty and partial measures. But these considerations are outweighed by the inconveniences in the opposite scale. In all cases where justice or the general good might require new laws to be passed, or active measures to be pursued, the fundamental principle of free government would be reversed. It would be no longer the majority that would rule: the power would be transferred to the minority. Were the defensive privilege limited to particular cases, an interested minority might take advantage of it to screen themselves from equitable sacrifices to the general weal, or, in particular emergencies, to extort unreasonable indulgences.

Mr. KENNEDY addressed the Chair.

The PRESIDING OFFICER (Mr. GRASSLEY). The Senator from Massachusetts [Mr. KENNEDY] is recognized.

Mr. KENNEDY. Mr. President, I notice the distinguished Senator from Kansas is on the floor and has an important statement. I will be glad to yield to her and then be recognized following her statement.

The PRESIDING OFFICER. The Senator from Kansas [Mrs. KASSEBAUM] is recognized.

Mrs. KASSEBAUM. Mr. President, I appreciate the Senator from Massachusetts yielding for a few moments so I can weigh in and offer my observations on the constitutional amendment that we have been debating over the past several weeks.

During these debates, I think we have heard some very thoughtful comments, both pro and con, on this important issue. This debate, in some ways, seems a fitting symbol for the amendment itself which involves a great deal of talk without any specific action.

As many of my colleagues know, I have long been an opponent of this proposed change in the Constitution of the United States. I have said it would not get us 1 cent closer to a balanced budget. I have contended that it would invite evasive accounting and legal gymnastics. I have expressed concern that it would open a whole new frontier for judicial review.

These concerns are not without basis and actual experience. I am sure we all remember the lengths we went to in order to get around the provisions of the Gramm-Rudman-Hollings Act and other abbreviated attempts at deficit reduction. We remember how, in the wake of the savings and loan crisis, the Resolution Trust Corporation was created, masking billions of dollars from budget totals. Even for this very amendment, we have left definitions of crucial language open to reinterpretation. Today's outlays may become tomorrow's ''working capital.''

I think many of my colleagues will also remember that in the past, I have referred to this amendment as a sham and a gimmick. I do not believe it is the panacea to a sound fiscal policy. It has been highly effective, however, in both roles by preventing us from focusing on the real choices that must be made in the Federal budget and serving as a nearly annual diversion that allows us to talk about balanced budgets while avoiding the clear and urgent need to adopt a sound fiscal policy.

This may sound, Mr. President, as if I am leading up to expressing a vote against a constitutional amendment to balance the budget. But this year, I intend to vote for final passage of the balanced budget amendment. I do so not as a result of the change in my views or beliefs or because of some revelation that this amendment does not suffer from the flaws that troubled me in the past. Instead, I will vote for this amendment this year simply and solely to eliminate it as an excuse for not cutting spending. We have been debating this amendment for more than a decade, constantly arguing about a change in the Constitution that would force us somehow to do what we all know eventually must be done.

If this seems like a backhanded endorsement to this amendment, it certainly is the case. All of the arguments that I have made in the past and many of the arguments that have been made in the last few weeks are, in my mind, still valid. Unfortunately, Mr. President, the arguments against this amendment and my concern about casual changes in the Constitution are rendered almost irrelevant by another simple fact of our budget life. That fact is that every day our Government issues scraps of paper marked IOU that are themselves becoming a deadly weight not only to future generations but to the Constitution itself. This year, we will issue almost $500 million a day in IOU's. Interest is piling up alongside those IOU's high enough to consume 15 percent of our spending. To put that in perspective, the budget we received a couple of weeks ago calls for us to spend almost as much money

next year in interest as on defense. If only that meant our world had become peaceful and safe. Instead, what it means is that we have put our grandchildren in debt and the future of our Government in danger.

Mr. President, I believe it is time to stop debating this amendment. It is time to pass it, get it out of the way, take it off the list of excuses we constantly use, and move on to the real issue, which is how to balance our Government's income with its expenditures, how to lay out a sound fiscal policy every year. If this amendment works, then I will be glad to admit that I was wrong to ever oppose it. I certainly hope it serves the purpose for which it was intended. If it does not work, then it will no longer be available as an excuse for failure to achieve sound fiscal policy.

That, Mr. President, is my reason for supporting this constitutional amendment to balance the budget and why I believe it is important for us in the Senate to pass it this year.

Thank you. I yield the floor.

The PRESIDING OFFICER. By previous order, the Senator from Massachusetts is recognized.

AMENDMENT NO. 267

Mr. KENNEDY. Mr. President, I ask unanimous consent that the pending amendments be temporarily laid aside and that my amendment No. 267 be placed before the Senate for the duration of my remarks on the amendment.

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

Mr. KENNEDY. Mr. President, during the debate on the proposed constitutional amendment, we have heard practically nothing from supporters of the proposal regarding how the amendment is to be enforced. The reason is clear: The amendment would give the President and the Federal courts unprecedented, and unacceptable, roles in deciding how Federal funds are to be allocated. My amendment addresses the first of these issues—the powers of the President.

In its current form, the proposed constitutional amendment would give the President—in order to avoid an unauthorized deficit—the power to impound funds appropriated by Congress. Section 1 of the amendment provides that:

> [t]otal outlays for any fiscal year shall not exceed total receipts for that fiscal year, unless three-fifths of the whole number of each House of Congress shall provide by law for a specific excess of outlays over receipts by a rollcall vote.

In other words, the constitutional amendment would flatly prohibit spending from exceeding revenues, unless both the House and the Senate authorize the deficit.

Under article II, section 3 of the Constitution, the President has a duty to ''take care that the Laws be faithfully executed,'' and article II, section 7, requires the President to take an oath to ''preserve, protect and defend the Constitution.''

In any fiscal year in which it is clear that there will be an unauthorized deficit, the President is bound by the Constitution and his oath of office to balance the budget and prevent the deficit.

Such a deficit could occur for a wide range of reasons. Congress may lack the political will to cast a vote authorizing a deficit as large as the one that it actually anticipates. Or, unanticipated decreases in revenue or increases in expenditures may result from natural disasters or from a downturn in the economy.

In these circumstances, the proposed constitutional amendment would give the President the power, indeed the duty, to impound appropriated funds to prevent the unauthorized deficit from occurring.

That is not just my opinion. This commonsense reading of the proposed constitutional amendment is shared by a broad range of highly respected legal scholars and by the executive branch of the Government.

Assistant Attorney General Walter Dellinger, who as head of the Office of Legal Counsel at the Department of Justice is responsible for advising the President and the Attorney General on the scope and limits on Presidential authority, testified before the Judiciary Committee that the proposed constitutional amendment would authorize the President to impound funds to ensure that outlays do not exceed receipts.

Harvard Law School Professor Charles Fried, who served as Solicitor General during the Reagan administration, testified that in a year when actual revenues fall below projections and a bigger-than-authorized deficit occurs, section 1 ''would offer a President ample warrant to impound appropriated funds.'' Others who share this view include former Attorney General Nicholas Katzenbach, Stanford University Law School Professor Kathleen Sullivan, Yale University Law School Professor Burke Marshall, and Harvard University Law School Professor Laurence Tribe.

By giving the President impoundment authority, the proposed amendment would dramatically alter the allocation of powers set forth in the Constitution. As James Madison wrote in The Federalist No. 48, ''the legislative department alone'' has the power to tax and spend.

So, Mr. President, as we mentioned here, we have broad views of different high administration officials who have served in the Justice Department or in the White House, who are thoughtful men and women and constitutional scholars, who believe virtually unanimously, if you regard the hearings that were held on the balanced budget amendment by Senator BYRD as well as by the Judiciary Committee—virtually unanimously that this power of impoundment is very real and that the President would have a duty to impound; not just an option, a duty to impound should there be an imbalance between receipts and outlays.

The Constitution gives Congress the primary authority and responsibility with regard to raising and spending funds.

Article I, section 7 states that ''all Bills for raising Revenue'' must originate in the House of Representatives.

Article I, section 8 grants Congress the powers ''to lay and collect Taxes, Duties, Imposts and Excises,'' and ''to borrow Money on the credit of the United States.''

Article I, section 9 provides that ''[n]o Money shall be drawn from the Treasury, but in Consequence of Appropriations made by Law.''

Changing the constitutional allocation of powers that has served this country well for over 200 years would be a profound mistake.

I support a statutory line-item veto, and I hope to be able to vote for one on the floor this year. But the impoundment authority given to the President by this amendment is far broader than a line-item veto.

The line-item veto simply allows the President to delete or reduce specific items in an appropriations bill. But as Assistant Attorney General Dellinger testified, the impoundment authority conferred upon the President by the proposed constitutional amendment would allow a President, confronted with an unauthorized deficit, to order across-the-board cuts in all Federal programs, abolish entire programs, or target expenditures intended for particular States or regions for impoundment.

In the name of deficit reduction, the President could freeze cost-of-living adjustments for Social Security recipients. He could abolish Medicare. He could slash defense spending.

In the past, Presidents from time to time have asserted that they had inherent constitutional authority to impound funds. This issue came to a head during the Nixon administration, when President Nixon impounded $18 billion from programs he wanted to terminate or reduce.

He impounded $9 billion appropriated for water treatment facilities. He imposed a moratorium on subsidized housing. He cut back on disaster relief. He suspended rural and community development programs. He withheld almost $2 billion from the Department of Labor and from the Department of Health, Education and Welfare.

Dozens of lawsuits were filed challenging the legality of President Nixon's actions. The vast majority of court decisions ruled against the impoundment. In 1974, Congress finally resolved the matter by passing the Impoundment Control Act to require the appropriated funds to be spent—unless the President sends a rescission message to Congress and Congress acts to uphold the rescission. The balanced budget amendment would scrap this arrangement. As I mentioned, that is the law now. The Impoundment Control

Act since 1974 is the law guiding the whole issue of impoundment.

The balanced budget amendment would scrap this arrangement, and fundamentally change the allocation of powers between the President and the Congress.

In addition to granting authority to the President to impound appropriated funds, the amendment would also enable future Presidents to assert that they have the power unilaterally to raise taxes, duties, or fees—in order to generate additional revenue to avoid an unauthorized deficit. That was the testimony of Assistant Attorney General Walter Dellinger, the chief legal advisor to the executive branch, before the Judiciary Committee this year.

This outcome would drastically transform the allocation of powers envisioned by the Framers. No longer would the legislative department alone have the power to tax and spend, as Madison promised in The Federalist No. 48.

The fact that the proposed constitutional amendment would confer impoundment authority on the President is confirmed by the actions of the Judiciary Committee this year. Supporters of the amendment opposed and defeated my amendment that would have added the following section to the proposed amendment:

> Nothing in this article shall authorize the President to impound funds appropriated by Congress by law, or to impose taxes, duties or fees.

If the supporters of the proposed constitutional amendment to do not intend to give impoundment authority to the President, there is no legitimate explanation for their failure to include this clear prohibition in the proposed amendment.

Supporters of the constitutional amendment make two arguments to support its assertion that the proposal would not give the President impoundment authority. Both are wrong.

They argue that there will never be an unauthorized, and therefore unconstitutional, deficit, because Congress will always step in at the end of the year and ratify whatever deficit has occurred.

That is like arguing the President has the unilateral power under the Constitution to declare war, because Congress will always step in to ratify a Presidential declaration.

If their prediction is accurate, then the balanced budget amendment is a sham, because it would impose no fiscal discipline whatsoever. But if the prediction is wrong—if Congress failed to act before the end of a fiscal year to ratify an unauthorized deficit—then all of the expenditures by the Federal Government throughout the fiscal year would be unconstitutional and open to challenge in the State and Federal courts. it is inconceivable that the President, sworn to preserve, protect and defend the Constitution, would be found to be powerless to prevent such a result.

Supporters also argue that Congress can specify in the enforcement legislation required by section 6 exactly the enforcement mechanism it wants, and that the President, as Chief Executive, is duty bound to carry out the congressional plan, to the exclusion of impoundment. But just because Congress spells out one means of enforcing the amendment does not mean that the President could not assert another means.

As the Supreme Court recognized in In re Neagle, the President's obligation to faithfully execute the laws is independent of Congress. That duty is not—

> * * * limited to the enforcement of facts of Congress * * * according to their express terms * * * it include[s] the rights, duties and obligations growing out of the Constitution itself. * * * and all the protection implied by the nature of the government under the Constitution[.]

If an unconstitutional deficit were occurring, Congress could not constitutionally stop the President from impounding appropriated funds in order to prevent it. As Prof. Kathleen Sullivan testified, the proposed constitutional amendment—

> * * * if enacted would, of course, be constitutional law, fundamental law. It would trump [the Impoundment Control Act of 1974] or any other statute designed to umpire disputes between the President and Congress.

In short, the only certain way to see that the President is not given impoundment authority is by adopting the Kennedy amendment.

This does not even take into consideration the fact that if you have subsequent enabling legislation, as suggested by those who support it, that the President might veto it. He way say, ''No, I believe that the statements and the positions that have been expressed by Charles Fried and former Attorney General Katzenbach and Solicitor General Archibald Cox and Walter Dellinger and Kathleen Sullivan give me the power to do that. They give me the power to do it so I am going to veto the implementing legislation.'' And what is to say what would be the outcome of such a veto?

My amendment will make clear that nothing in the balanced budget amendment gives the President authority to impound appropriated funds or impose taxes, duties, or fees.

My amendment will not limit Congress' power to give the President line-item veto authority. I will not limit the authority already given to the President elsewhere in the Constitution, and by the Budget Control and Impoundment Act. All it will do is specify that the proposed constitutional amendment does not give the President the power to impound appropriated funds or impose taxes, duties, or fees.

We should not sign over to the President the power that Congress has had over the purse for over 200 years, simply because some Members lack the political courage to make the tough decisions needed to balance the budget.

I urge my colleagues to support the amendment.

Mr. HATCH. Mr. President, I wish to respond to Senator KENNEDY's impoundment argument. In each of the years the balanced budget amendment has been debated, I have noticed that one specious argument is presented as a scare tactic by the opponents of the amendment. This year the vampire rising from the grave is presidential impoundment. Supposedly, a President, when faced with the possibility of budgetary shortfalls after ratification of the balanced budget amendment, will somehow have the constitutional authority—nay duty—to arbitrarily cut social spending programs or even raise taxes.

I want to emphasize that there is nothing in House Joint Resolution 1 that authorizes or otherwise allows for impoundment. It is not the intent of the amendment to grant the President any impoundment authority under House Joint Resolution 1. Indeed, House Joint Resolution 1 imposes one new duty, delegates one new authority, on the President: To transmit to Congress a proposed budget for each fiscal year in which total outlays do not exceed total receipts. In fact, there is a ripeness problem to any attempted impoundment: Up to the end of the fiscal year the President has no plausible basis to impound funds because Congress under the amendment has the power to ameliorate any budget shortfalls or ratify or specify the amount of deficit spending that may occur in that fiscal year.

Moreover, under section 6 of the amendment, Congress must—and I emphasize must—mandate exactly what type of enforcement mechanism it wants, whether it be sequestration, rescission, the establishment of a contingency fund, or some other mechanism. The President, as Chief Executive, is duty bound to enforce a particular requisite congressional scheme to the exclusion of impoundment. That the President must enforce a mandatory congressional budgetary measure has been the established law since the nineteenth century case of *Kendall* v. *United States ex rel. Stokes*, 37 U.S. (12 Pet.) 542 (1838). In Kendall, Congress had passed a private act ordering the Postmaster General to pay Kendall for services rendered. The Supreme Court rejected the argument that Kendall could not sue in mandamus because the Postmaster General was subject only to the orders of the President and not to the directives of Congress. The Court held that the President must enforce any mandated—as opposed to discretionary—congressional spending measure pursuant to his duty to faithfully execute the law pursuant to article II, section 3 of the Constitution. The Kendall case was given new vitality in the 1970's, when lower Federal courts, as a matter of statutory construction, rejected attempts by President Nixon to

impound funds where Congress did not give the President discretion to withhold funding. For example, *State Highway Commission* v. *Volpe*, 479 F.2d 1099 (8th Cir. 1973). Unless Congress grants the President impoundment power, the President, as a practical matter, will not be able to impound funds under this amendment.

Let me stress again that section 6 of House Joint Resolution 1 requires Congress to enforce and implement the amendment by appropriate legislation. This is not a delegation of power to Congress, similar to that of the 14th, 15th, 16th, and 19th amendments, whereby Congress has the discretion whether or not to exercise its enforcement power. Congress must enforce the balanced budget amendment by appropriate legislation. This is a powerful statement that evidences a preclusion of unilateral presidential action.

The position that section 6 implementing legislation would preclude Presidential impoundment was seconded by Attorney General Barr at the recent Judiciary Committee hearing on the balanced budget amendment. Testifying that the impoundment issue was in reality incomprehensible, General Barr concluded that ''the whip hand is in Congress' hand, so to speak; under section 6 [the] Congress can provide the enforcement mechanism that the courts will defer to and that the President will be bound by.''

Further, the notion that Congress would stand idly by while the President threatens to, or, in fact, does invade Congress' spending authority, is not realistic as a practical matter. We simply would not stand for it.

What we have here then, is an argument based on a remote possibility. Under the remote possibility scenario of an impoundment, we would have to preclude any possibility, however, remote, in the amendment. The amendment would look like an insurance policy. Why preclude something in the Constitution that in strong probability could never happen, and which Congress could preclude by legislation?

Finally, the Kennedy amendment, as worded, would prohibit Congress from delegating to the President in implementing legislation any rescissionary authority. This is what Congress did in Gramm-Rudman-Hollings. Why limit the tools that Congress may employ to balance the budget in the future?

As to the President's hypothetical power to raise taxes, this is not even a remote possibility. It is a constitutional impossibility. President's simply do not have the power to raise taxes and the balanced budget amendment does not alter this. This power is exclusively delegated to Congress by the Constitution in article 1. All the balanced budget amendment does is to limit Congress' spending, taxing, and borrowing powers.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Missouri.

Mr. ASHCROFT. Mr. President, in 1788, Alexander Hamilton recognized that deliberations on the Constitution would by no means be, as he put it, ''decorous and genteel.'' Much too much was at stake. Instead, he predicted there would be ''a torrent of angry and malignant passions'' that would be let loose during ''the great national discussion.''

Well, Mr. President, we are having a great national discussion. We can be thankful that we are having it on a basis which is appropriate and genteel. At the same time, we must answer some of the charges that have been made, as well as examine further some of the arguments that are being raised against the balanced budget amendment.

Just moments ago, in this Chamber, the Senator from Maryland came to us with the suggestion that the supermajority that is required in this amendment—and, as we all know, in the proposed amendment there is a supermajority of 60 percent required to raise the national debt—is undemocratic to the extent that it inappropriately gives to a minority of people, the 40 percent, the right to block the will of the 60 percent.

I agree that it is important for us all to agree that we do not want to have supermajority requirements everywhere, particularly where it is not important. But we also know that the Constitution itself contains a variety of supermajorities that are included in the Constitution because there are some things it is vital to protect.

Indeed, the Senator from Maryland pointed out that we have a supermajority requirement for overriding the President's veto. But the reasoning behind prohibiting supermajorities in the main is to keep one group from unduly imposing its will on another group. The reason we believe generally in simple majorities is that we believe that people who are represented ought to be represented on an equal footing.

However, there is a special situation about which we debate here today concerning the national debt. And it is not about one group in America displacing the cost of its consumption to another group now existent in America. What we are talking about is the displacement of the costs of current programs that we now benefit from onto the next generation, who are not currently represented at all. It is in truth a problem about allowing one group to impose its will on another group—another group upon whom this debt is being imposed who are not even here to protest.

Mr. President, we have tried over and over again as a body—in the United States—to somehow preclude this recurring debt problem by binding the next Senate. We had the Gramm-Rudman-Hollings Act, then we had GRAMM–Rudman, and then we had the budget deals of 1990 and 1993. We have not been able to get one Senate to bind the next Senate to the necessary discipline to restrain this Government from going deeper and deeper into debt. Unfortunately, while the Senate cannot bind the next Senate, the Senate certainly binds the next generation to the current debt.

So, when we are talking about a group that is yet to come into existence—the next generation of Americans whose toil has not yet produced the first of its wages—I think it is essential that we have the capacity to require a supermajority vote.

Mr. President, in the deliberations we also frequently hear that there is no need for us to have this kind of amendment to the U.S. Constitution. It is argued that there is authority now for the U.S. Congress to do what is right. There is authority for the U.S. Congress to do what is right and to live within its means.

Frankly, it is only part of what a Constitution stands for, what a Constitution's function is, to provide authority to do what is right. The other half of the Constitution's function and purpose is to prohibit that which is wrong. If we come to the conclusion that spending the resources of the next generation is wrong, we cannot rely on the fact that there is authority in the Constitution for the Congress to act properly. We must prohibit the Congress from doing that which is wrong.

The mere authority to do that which is right has been insufficient. We have had in the last 60 years only seven balanced budgets. We have had authority to balance the budget in every one of those 60 years, yet we have not had the fiscal discipline to balance the budget. It is agreed, we have had the authority to do what is right. What we need now is a prohibition against doing what is wrong.

It is wrong to spend your neighbor's resources. It is wrong to take those things which are not yours. It is simply wrong. It is part of the consensus that we all have when we first understand right from wrong. Yet we in Congress continue to recklessly spend the resources of the next generation without their consent.

The idea of placing a prohibition on the actions of Congress is not new. As a matter of fact, as a precondition for ratifying the U.S. Constitution, the States demanded that there be a Bill of Rights that clearly curtailed the ability of Congress to do things that were wrong. The first five words of the Bill of Rights are ''Congress shall make no law.''

Again, I reiterate Mr. President, it is very important that the Constitution not only include authority to do that which is right, but to prohibit the Congress from doing those things which are wrong. And this is a fundamental function of the Constitution that is as old as the Bill of Rights and the Constitution itself.

It is in this context, then, that we need a balanced budget amendment to the Constitution. When you think of the things which were said by those at

the beginning of this Republic which inspire us now—such as Nathan Hale saying on his way to the gallows, a patriot willing to give his life, ''I regret that I have but one life to lose for my country.'' I think sometimes that the Congress regrets that there are but one or two generations to pay for the excesses of the Congress.

As a matter of fact, I do not believe we can have any confidence that the debt which we now have could be paid off within one generation, or even perhaps within two generations. But I do have confidence that if we now take this act of principled discipline and begin to prohibit our profligate spending, we will begin to move away from the kind of deficits which have characterized this country for far too many years.

It is in this context that we must have this great discussion, Mr. President. It is in this context that we must understand the need for the U.S. Congress to send to the States for ratification an amendment to the Constitution which would impose upon the Congress of the United States the very same discipline under which virtually every State in the United States operates.

It is the discipline of practice, of living within the resources that are available, of living within the resources which have been contributed by those whose representatives are in the elected bodies—the legislative branches of the States. We should engage in the same practice at the national level. Indeed, we should live within the resources that we are willing to gather now—we should not attempt to take the resources of the next generation.

The ability to take the resources of the next generation is unique to the U.S. Congress. No family in America finds its children encumbered by the debts of their parents. No matter how profligate the spending of a father may be, the children are not asked to endure the debts of the father. While the Congress cannot bind the next Congress, it can and does bind the next generation. It is time for the Constitution to be amended so that we do indeed curtail this practice which deprives individuals affected of representation—a practice, again, which imposes on the next generation a kind of taxation, a kind of confiscation of their wealth without any participation whatsoever in the development of the priorities their resources are allocated for.

It is wrong, Mr. President, and we need to stop it. I yield the floor.

Mr. GRAHAM addressed the Chair.

The PRESIDING OFFICER. The Senator from Florida.

AMENDMENTS NOS. 259 AND 298

Mr. GRAHAM. Mr. President, on Friday, I proposed two amendments, which will be voted on tomorrow. I would like to use this opportunity to briefly discuss those amendments, and why I believe they are so critical, prior to the passage of this constitutional amendment and its possible ratification by the States.

I commence by saying that it is my intention to vote for the balanced budget amendment. I do so with great regret. I consider the very debate that we are having today, and over the past several days, an admission of failure. It is an admission of failure in a basic quality of the American character, and that is the quality that each generation has not only the responsibility to attend to its own affairs, but to leave this country as a stronger and better place for our children and grandchildren. That, in fact, has been the history of America for over 200 years. Regrettably, it is the generation of our children that may be the first generation to find that they are not better off, that they do not have greater opportunities personally, economically, educationally than did our generation and preceding generations.

We have broken that contract, that intergenerational contract of America. The balanced budget amendment, therefore, is the regrettable response to that broken contract. If there were reason to believe that we were prepared to reform Federal spending without having to go to the draconian extreme of a constitutional amendment, with all of its implications, many of which are unforeseen, if we had not broken that contract, if we had shown some discipline in the past or demonstrated our serious intention to do so in the future, then I would not vote for this constitutional amendment. But the fact is that we have done neither. We have been profligate in the past, and every indication is that we will continue to be in the future.

I will cite two examples from each of the major political parties. The President has submitted a budget this year which calls for approximately a $200 billion addition to our national debt—$200 billion of deficit, and about the same level of projected deficit through the next 5 years. The Republicans' Contract With America calls for a balanced budget, but it also calls for increased spending, particularly in the area of Defense, and it calls for tax cuts which, over the next 10 years, will cost the Treasury in excess of $700 billion.

Neither the President's budget nor the Republicans' Contract With America adds up. Thus, we are at the point that we are considering a constitutional amendment to place shackles on ourselves so that we will not be as able to sin in the future as we have in the past.

My criticism of this amendment, Mr. President, is that its reality does not live up to its rhetoric. It is less than it is purported to be; it is less than it should be. It is not, as it has been described by some of its most fervent advocates, the ironclad amendment that will protect the fiscal future of America.

This amendment, however, is likely to be a permanent part of the Constitution of America in the form that we submit it to the States. I believe the States are likely to ratify this amendment. The history of the United States is that we have had 27 constitutional amendments. With the exception of the amendment on prohibition that was repealed some 13 years after it was adopted, no other amendment has been repealed. No other amendment has been modified. So I am operating on the assumption that what we pass in this Senate, what the States ratify, will be in the Constitution of the United States for the foreseeable future. And it is against that long stretch of time that we must evaluate whether this amendment meets our rhetoric and the public's expectation.

In my opinion, the combination of the provisions in section 1, which provide that total outlays for any fiscal year shall not exceed total receipts for any fiscal year; section 2, which states that the limit on the debt of the United States held by the public shall not be increased without a three-fifths vote; and section 7, which states that total receipts shall include all receipts to the U.S. Government, total outlays shall include all outlays of the U.S. Government, results in a constitutional amendment that will tolerate—will almost assure that we will grow the national debt by $3 trillion over the next 25 years.

While the public is being led to believe that we are passing an amendment that is going to assure fiscal responsibility, we are going to be passing an amendment that will almost have the opposite effect of assuring a dramatic increase in our national debt.

How is that going to happen? Well, the first component of that, as this chart indicates, is going to happen whatever we do. Between now and the year 2002, which is the earliest fiscal year to which this amendment will apply, we are going to add approximately $1 trillion to our current $4.942 trillion national debt. So that we will reach the year 2002 with a national debt of $6 trillion. It is the next $2 trillion that we have the opportunity to avoid. The combination of those three sections that I summarized will provide that we will account for our national deficit by an accounting system that says you take in all of the income and you subtract all of the expenditures, and if you are in balance on that basis, then you have met the strictures of the constitutional amendment.

The fact is that for the next period, from now until approximately the year 2018, our Social Security Program is going to be generating enormous surpluses. These surpluses will reach a peak of over $3 trillion—a $3 trillion Social Security surplus. Every one of those dollars generated as a surplus in the Social Security system is a dollar against which we can spend for any purpose. Use of the surplus will not be limited to Social Security spending.

So the effect of this amendment, with its requirement that Social Security be integrated into the rest of the

Federal budget, is to tolerate a $2 trillion increase in the national debt between now and the year 2018.

But it could be worse, Mr. President. If, for instance, this or future Congresses decide to manipulate Social Security and the handful of other trust funds that will be contributing to this large debt held by Social Security and other trust funds, we can have further opportunities to spend, cut taxes, and still appear to be balancing the budget.

The aviation trust fund provides us with a good example of how Congress has misused a Federal trust fund. Every time an American or a foreign visitor purchases an airline ticket within the United States, they must pay a Federal transportation tax. The tax revenue then goes into an aviation trust fund. Legislation passed by this Congress stated that the proceeds of that trust fund were to be used to finance America's aviation system. It helps to pay for the very complex communications system that protects the navigation and the safety of aircraft. It goes, in part, to expanding our system of airfields and airports and terminals and other activities which benefit aviation in this country.

The fact is that for a period of years, particularly during the 1980's, we did not spend the money that was coming into that aviation trust fund. The primary reason we did not spend the money was not because we had suddenly decided we were going to become extra conservative in the area of aviation spending, but rather because every dollar we did not spend out of that trust fund added to its surplus and contributed to the masking of the Federal budget deficit. I think that while we were artificially reducing the reported deficit, we were tragically contributing to a degeneration of the best aviation safety system in the world. And we are all aware of some of the recent consequences of that degeneration. So I do not believe that we ought to be encouraging Congress to continue that pattern of behavior.

Finally, let me say on this point, Mr. President, I am concerned that some of the strongest advocates of this constitutional amendment are contributing to this public perception that we are going to be passing an ironclad constitutional amendment. Let me just refer to a few of the statements that were published over this weekend and which caught my attention. I am certain they also caught the attention of many of my colleagues.

First was an article in the Washington Post, dated Sunday, February 26, entitled ''Congress May Ask Historic Gamble by States,'' a discussion of this constitutional amendment. I ask unanimous consent that the text of this article be printed in the RECORD.

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

[From the Washington Post, Feb. 26, 1995]

CONGRESS MAY ASK HISTORIC GAMBLE BY STATES

BALANCED BUDGET AMENDMENT VARIOUSLY CHARACTERIZED AS OFFERING ''GLIDE PATH'' OR CRASH

(By Eric Pianin)

If the Senate approves the proposed balanced budget amendment Tuesday, Congress will ask the states to take a historic gamble that some say will free future generations from onerous debt and others warn could ruin the economy, disrupt vital government services and devastate the social safety net.

For nearly 60 years, the fight over a constitutional amendment to force the government to live within its means except in times of war has largely been an academic exercise. But in the wake of the Republican takeover of Congress, the House has overwhelmingly approved the measure, 300 to 132, and supporters in the Senate are within a couple of votes of the two-thirds majority needed to adopt the amendment and send it on to the states for ratification.

Republican leaders—including House Budget Committee Chairman John R. Kasich (Ohio) and Senate Judiciary Committee Chairman Orrin G. Hatch (Utah)—say passage of a balanced budget amendment is essential to GOP plans to impose fiscal discipline on an unruly and often cowardly Congress and put the government on a seven-year ''glide path'' to eliminating the deficit.

With a balanced budget amendment in place, they insist, the Republicans can cut taxes, protect Social Security from reductions, beef up defense and still eliminate the deficit by the year 2002—all without much upheaval or suffering.

''It isn't like we're trying to haul a Mack truck—attach ourselves to a Mach truck—and then pull it 100 yards with the power of our own bodies,'' Kasich said recently. ''There's an impression out there this is somehow impossible or terribly difficult. It's not that at all.''

But critics—such as Sens. Robert C. Byrd (D-W.Va.), Paul S. Sarbanes (D-Md.) and Paul D. Wellstone (D-Minn.)—warn the opposite: If the amendment is approved, it would make the government powerless to respond quickly to recessions and other economic crises and force dismantling of agencies and programs crucial to the poor and the middle class.

Others, including Sen. Sam Nunn (D-Ga.), also argue the amendment would disrupt the balance of power among the three branches of government, strengthening the hand of the president to impound funds any time Congress violated the constitutional strictures and opening the door to judicial intervention on congressional fiscal policy.

Critics also complain Republicans have refused to detail how they intend to achieve a balanced budget within seven or eight years. And they say the Social Security trust fund would become an irresistible target for budget-cutters early next century, despite assurances from House Speaker Newt Gingrich (R–Ga.) and Senate Majority Leader Robert J. Dole (R–Kan.) that Social Security would be exempted.

''No one is going to escape the wrath of the balanced budget mandate,'' Byrd said in a recent Senate speech.

The new Republican leadership has premised much of its economic and budgetary strategy on passage of the budget amendment, centerpiece of the House GOP's ''Contract With America.'' Many proponents favor the amendment on moral grounds, saying its adoption would help spare their children and grandchildren from the economic burdens of a national debt approaching $5 trillion.

Passage of the balanced budget amendment is also a vital pretext for the larger goal of dramatically shrinking size of government—dismantling or repackaging large chunks of it. Sen. Connie Mack (R–Fla.) said last week, ''This is a fundamental debate about those who believe more government will solve our problems and those who believe less government, less taxing and less spending will give us more freedom.''

As a foretaste, Republican House appropriators last week voted to cut $17 billion from current spending for housing, health care, nutrition, clean water, job training and other programs. Moreover, the House Economic and Educational Opportunity Committee voted to repeal the National School Lunch Act and fold school feeding and other nutritional programs for the poor into block grants for states to administer.

While these budgetary actions caused an uproar among angry Democrats and social welfare activists, the cuts and program changes were a drop in the bucket compared with what would be required under a balanced budget amendment.

Studies by the Congressional Budget Office, the Treasury and Center on Budget and Policy Priorities show Congress would have to reduce projected spending over the next seven years by as much as $1.4 trillion to balance the budget and pay for the Republicans' $200 billion package of tax cuts. In the year the proposed amendment would take effect, 2002, Congress would have to cut an estimated $357 billion of spending to meet the constitutional requirement.

The Republicans have promised a relatively painless prescription for achieving the deficit, by redesigning costly entitlement programs like Medicare and Medicaid, consolidating other programs into block grants and slowing the rate of growth of spending from a projected 5.4 percent to 3.2 percent.

''I won't call it horrific cuts,'' said Sen. Larry E. Craig (R–Idaho), a leading proponent of the balanced budget amendment. ''I'm talking about reductions of the rates of growth. There isn't going to be one dime cut below this year's budget in next year's spending.''

But liberal and conservative policy groups say the ''glide path'' to a balanced budget will be far bumpier than the Republicans let on. Also, it will be virtually impossible to balanced the budget in seven years if Republicans insist on fencing off large portions of the federal budget from spending cuts, they say.

''You have to be willing to take down defense and future Social Security benefits, and you have to meanstest Medicare and you have to eliminate a lot of cats' and dogs' programs,'' said William Niskanen, an economic adviser to the Reagan administration and head of the Cato Institute, a conservative think tank. ''Arithmetically, it's not difficult to do, but that begs the question of whether it's politically difficult.''

Under the amendment, the president would be obliged to submit a balanced budget each year and Congress would have to adopt a budget with outlays no greater than the projected revenues for the coming year, unless three-fifths of the House and Senate agree to allow a deficit.

The amendment would also require a three-fifths majority in each chamber to raise the ceiling on the amount of debt the government can incur, and a simple majority to raise taxes. The provisions would be waived in times of war or threats to national security.

Although it is called a balanced budget amendment, the measure does not guarantee a balanced budget in any year, only that Congress certifies it is attempting to stay

within the project revenues. If, as commonly happens, revenue or spending estimates prove faulty, the government could still close its books showing a deficit. However, if annual deficits get out of hand and push the overall national debt to the legal ceiling, it would take a three-fifths ''supermajority'' to raise the limit to allow additional borrowing.

The biggest problem with the amendment, critics say, is that it would rob the Congress of flexibility in responding to economic crises, such as recessions, or emergencies similar to the mass failures of savings and loan associations. Programs like unemployment insurance, food stamps and other welfare benefits currently kick in automatically whenever unemployment surges. But under a balanced budget amendment, it would take supermajorities in the House and Senate to approve the emergency funding.

''That kind of extreme fiscal policy makes a small recession worse,'' President Clinton said in his radio address yesterday. ''In its most exaggerated form, it's what helped turn the economic slowdown of the 1920s into the Great Depression of the 1930s.''

TEXT OF PROPOSED AMENDMENT

Following is text of proposed balanced budget amendment:

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled (two-thirds of each House concurring therein). That the following article is proposed as an amendment to the Constitution of the United States, which shall be valid to all intents and purposes as part of the Constitution when ratified by the legislatures of three-fourths of the several states within seven years after the date of its submission to the states for ratification:

ARTICLE —

SECTION 1. Total outlays for any fiscal year shall not exceed total receipts for that fiscal year, unless three-fifths of the whole number of each House of Congress shall provide by law for a specific excess of outlays over receipts by a roll call vote.

SECTION 2. The limit on the debt of the United States held by the public shall not be increased, unless three-fifths of the whole number of each House shall provide by law for such an increase by a roll call vote.

SECTION 3. Prior to each fiscal year, the president shall transmit to the Congress a proposed budget for the United States government for that fiscal year, in which total outlays do not exceed total receipts.

SECTION 4. No bill to increase revenue shall become law unless approved by a majority of the whole number of each House by a roll call vote.

SECTION 5. The Congress may waive the provisions of this article for any fiscal year in which a declaration of war is in effect. The provisions of this article may be waived for any fiscal year in which the United States is engaged in military conflict which causes an imminent and serious military threat to national security and is so declared by a joint resolution, adopted by a majority of the whole number of each House, which becomes law.

SECTION 6. The Congress shall enforce and implement this article by appropriate legislation, which may rely on estimates of outlays and receipts.

SECTION 7. Total receipts shall include all receipts of the United States government except those derived from borrowing. Total outlays shall include all outlays of the United States government except for those for repayment of the debt principal.

SECTION 8. This article shall take effect beginning with fiscal year 2002 or with the second fiscal year beginning after its ratification, whichever is later.

Mr. GRAHAM. Mr. President, in this article, this statement appeared:

The amendment would also require a three-fifths majority in each Chamber to raise the ceiling on the amount of debt the Government can incur.

It goes on to state:

If annual deficits get out of hand and push the overall national debt to the legal ceiling, it would take a three-fifths supermajority to raise the limit to allow additional borrowing.

That is clearly untrue.

The constitutional amendment in the clearest words—and it is ironic that the text of the amendment was printed inside the article that I have just read—states that ''the limit on the debt of the United States held by the public''—held by the public—''shall not be increased without a three-fifths vote.''

By the year 2018, only approximately half of the total national debt will be held by the public. The rest of the national debt will be held primarily by Social Security and other Federal trust funds which are not subject to the limitation of this constitutional amendment.

In a response to the President on Saturday, one of our colleagues made this statement.

Americans know this measure would require Washington to start living within its means and balancing its budget like families and most State governments must do. That's why about 80 percent of Americans support it.

If 80 percent of Americans believe that this would require Washington to start living within its means and operating like a typical American household, they are supporting this amendment for the wrong reasons and they are about to be severely disappointed.

Finally, on one of the Sunday talk shows, one of our colleagues, in discussing the amendment, challenged a statement that this amendment would require 60 votes to raise taxes, correctly challenged that statement by saying:

No, you don't need 60 votes under this amendment to increase revenues. You need 60 votes to increase the debt ceiling.

That is not what the amendment provides. You do not need 60 votes to increase the debt ceiling. You need 60 votes to increase the amount of debt held by the public, which will be by the year 2018 only about half of our national debt. All the other debt that the Government borrows is outside of the three-fifths requirement. And it is that other availability of borrowing that is going to drive our national debt to almost $8 trillion by the year 2018.

I have one other item from the weekend news that I want to discuss in a moment where I think there has been a misstatement.

So these are some of the realities of the amendment that we are about to pass. It is an amendment which does not live up to its rhetoric. What is going to be the principal consequence of this gap between reality and rhetoric? The principal consequence of this deficiency in reality as opposed to the rhetoric with which the amendment is being sold is going to be aimed, targeted, focused on our Social Security system and primarily on those Social Security beneficiaries born after the year 1954.

If you were born after the year 1954—and I see some people in this Chamber who I think meet that standard—listen: Social Security is going to be used to mask the extent of the real deficits of the United States.

Let me just give you a few figures at 5-year intervals. In 1980, the reported national debt—this is reported on integrated, budgeted, total revenues versus total receipts including Social Security—the deficit was reported at $73.8 billion in 1980. When you look at the Social Security trust fund in 1980, the Social Security trust fund was running in a deficit. It had a deficit of $1.1 billion. So the real deficit of the general operations of Government was $72.7 billion; that is, the reported deficit minus the degree to which it incorporated the necessity to finance the deficit of Social Security.

By 1985, the reported deficit had jumped to $212.3 billion. And by 1985, as a result of the changes made in Social Security in 1983 when Social Security was converted from a pay-as-you-go system to a surplus system—one that had this print line of developing large surpluses in order to be prepared to meet the needs of that population largely born after World War II and particularly after 1954—we had a surplus of $9.4 billion. So the real deficit in the general accounts of the Federal Government, that is everything other than Social Security, was $221.7 billion. That is 1985.

In 1990, the reported deficit, $221.4 billion. The real deficit, after you eliminate the mask of Social Security surplus, was $279.6 billion.

In 1995, reported deficit, $176 billion. It would appear that we had made significant progress in controlling the deficit. But because there has been a significant increase in Social Security surpluses, the real deficit was $245 billion, or not so much progress. By the year 2000, according to the Congressional Budget Office's latest report, dated January 1995, the reported deficit will be $284 billion. The Social Security surplus will equal $96 billion. So the real deficit, the deficit in all of our ongoing governmental accounts, will be $380 billion—$380 billion.

That is just a foretaste of what it will be like 5 years later when, according to the Congressional Budget Office, we have a reported deficit of $421 billion and a Social Security surplus of $137 billion for a real deficit of $558 billion. That is what we are experiencing in terms of the direction of the budget.

That brings me to my fourth and final weekend news communique. A leading Washington Post columnist wrote in an article entitled ''Fool's

Amendment,'' that the redink hemorrhage this constitutional amendment is supposed to stop is not a chronic condition, it is actually a phenomena of the 1980's which has washed over into the 1990's, but it is a dubious proposition to rewrite the permanent charter of Government to correct for the follies of one decade.

I am afraid, my friends, that the facts indicate this was not just a decade-long aberration, that we did not just lose our way for one 10-year period. In fact, we seem to have lost this fundamental character of America of generational responsibility. We are masking the extent to which we are lost by these increasing Social Security surpluses. We are lost with no indication that we are about to find a compass.

Why is Social Security in the target of this issue? It is because that any future attempts to reform Social Security—and clearly Social Security cries out for some reform—are going to be stymied by the fact that those very reforms will be seen as, and in fact will be, means to further mask the deficit. Those reforms will not be used for the principal purpose of assisting Social Security to be a sound, reliable, retirement system for the indefinite future. They will be used as a means of generating additional surplus so we can have even more spending, even more tax cuts, even more borrowing.

Third, the increased national debt will lead to increased national annual debt payments. Under this constitutional amendment, the amount of deficit that we will add from the year 2002 through the year 2018 will be between $120 billion and $140 billion. That is $120 billion to $140 billion that our children and grandchildren and their children and grandchildren are going to be asked to pay.

There will be no net national savings increase as a result of this amendment between 1995 and the year 2018.

Mr. President, we reformed the Social Security system in the early 1980's, in order to build a surplus to meet our future obligations. By statute, that fund can only be invested in a particular form of Treasury notes which, incidentally, are restrained so they are nontransferable. How are we going to pay for all those notes when this large wave of Americans, particularly those born after 1954, arrive and begin to ask for their benefits?

The theory was that the rest of the national budget would be in balance during this period, and we would use the Social Security surpluses for real investments in America, in our economic growth, in making our country stronger so that it would be in a position after the year 2018 to meet this enormous indebtedness.

In fact, we have not been doing that. We have been using the Social Security surplus to fund our annual deficits. This amendment will allow Members to continue to use our Social Security surplus to fund our annual deficits and add $12 trillion to that national debt.

We are facing, Mr. President, a gigantic truck wreck beginning in about the year 2015. We are still operating in a surplus, but the rate of increase in that surplus is beginning to decline. I remember an old joke told about a trucker who was in a class, studying new techniques in driving trucks. The teacher used a method of instruction in which he would ask students different hypothetical questions to see how they would respond in emergency situations. One of the questions that was asked was, ''Joe, suppose you are riding on a mountainous road in northern New Mexico. You are 200 yards from the top of the hill, and you look up and there is another truck that has just crested the hill. You can tell it is out of control, and you can tell it is going over 100 miles an hour. What would you do?'' Joe said, ''I would turn to my relief driver, Ray, who is sleeping in back of me, and wake him up.'' The driver was shocked. ''You would do what? You would wake up your relief driver in that kind of an emergency situation?'' Joe said, ''I sure would, because Joe never has seen a truck wreck like the one we are about to have.''

Well, friends, we need to wake up America because we have not seen a truck wreck like the one we will have which will begin in about the year 2015, no longer having the enormous annual surpluses but reversing to the point where we will have deficits.

And what type of deficits? The period of about the year 2020 or 2025—and it sounds like a long time from now; we hope we will be here to see it—about that time, we will be running deficits in the Social Security of in the range of $350 billion to $400 billion a year. We will be spending out that much more than we will be taking in. That is not an aberration. That is the way the system was designed in order to create a core of assets that will be able to meet this future demand.

If you could analogize this to a household, the Jones household has earnings of $40,000. Unfortunately, the Joneses have not been very prudent and they have gotten into a pattern over the last 2 or 3 years of spending $50,000. So every year, their indebtedness goes up and they get a little more in the hole. Well, good news and bad news has just occurred for the Jones family. Their favorite uncle died, and the uncle left an inheritance, part of which goes to the Jones family.

Now, this is a somewhat unusual inheritance. The Jones family is going to receive $15,000 a year for the next 10 years. They are very happy about that. But the uncle has imposed a requirement on them. He loves the Jones' two children. They are his favorite nephew and niece, and he wants to see that they go to college. So he is going to require as a condition of receiving this $15,000 over each of the next 10 years that the Jones family commit that they will send these two children to college.

They estimate that it will cost $10,000 a year per child to send them to college. What do the Joneses do? Do they put the $15,000 aside in some trust fund to meet this obligation to send their children to school, as their beloved uncle wanted? No. They take the money and they start to spend it. They actually increase their annual spending from $50,000 up to $55,000, so now they are spending the $40,000 they make and the $15,000 they got from their favorite uncle, and they live very well for the next 10 years.

At the end of the 10 years, the $15,000 no longer is there. They are back to $40,000, having gotten themselves into the lifestyle of a $55,000-a-year family, and they have this obligation to send their two children to college.

It is not far off from what our family of America will face in about the year 2018. We will no longer have the Social Security surplus, but we will have to meet the retirement obligations that we have made to our older Americans. We are setting up another type of clash, and that will be a confrontation between classes of Americans. We are setting up a potential confrontation between those Americans who will be in the work force in the decade of the 2020's and those Americans who will be retired, because we will be asking those people in the work force to work harder. There will be fewer of them to support the large number of retirees. We will ask them to pay excessively higher taxes in order to meet those accumulated obligations.

Further, there will not be the kinds of student financial aid that maybe the Jones family thought they would get for their two children because we cannot afford student financial aid anymore.

There is going to be a generational clash in America. There could also be a clash between older Americans and better-off Americans. There is going to be a temptation to manipulate Social Security in order to make the surplus even greater so that some of those obligations in the Contract With America that have this $700 billion-plus price tag from now until the year 2005 can be met. This concerns me.

So we are going to be fraying the basic social relationship between and among important groups of Americans. And we are doing all of this, Mr. President, unnecessarily. We do not have to do this in order to pass this constitutional amendment. We will pass a better, a stronger, a significantly more conservative amendment if we will but take a series of actions in the next few hours.

It would be my hope that we would take as preferred action, No. 1, the passage of the amendment that the Senator from California, Senator FEINSTEIN, has offered which takes Social Security out of the rest of the Federal

budget. It would deal with the principal issues raised particularly in section 1 and in section 7 that I discussed earlier.

If we fail to pass the Feinstein amendment, we ought to adopt the first of my two amendments which says: If we are going to have a three-fifths vote to raise the limit of debt held by the public, let us make it a three-fifths vote on all national debt. The Social Security funds should not be more exposed than the other sources from which the Congress can borrow money.

Let us all play on a level playing field. Let us have a three-fifths vote for lifting our public debt limit. Let us do what the reporter in the Washington Post, and what two of our colleagues apparently think we are doing in this amendment, by requiring a three-fifths vote to raise the ceiling on borrowing. We are not doing that in this amendment. We should.

Finally, and I particularly would like to direct this comment to the chairman of the Budget Committee who probably understands these issues as well as anybody in this Chamber. If we continue with the outline of fiscal policy found in this amendment, using the Social Security surpluses as an additional area of borrowing, with only a majority vote required, we will be masking the extent of our other spending or tax cuts. As a result, in 2018 we will carry an $8 trillion debt, about $3 trillion of which is held by the Social Security System.

In 2019, we begin this dramatic drawdown of the Social Security fund. The surplus will drop from $3 trillion to zero by the year 2028. How are we going to fill this triangle on this chart? The triangle represents the national debt that we have accumulated by borrowing from Social Security, but which now we are going to have to start repaying to the beneficiary. How are we going to fill that void?

Under the balanced budget amendment, a three-fifths vote would be required to borrow from the public. This amendment will worsen this gigantic truck crash by saying that over a 10-year period, we have to borrow $3 trillion additional from the public and do it, we must have a three-fifths vote. At an absolute minimum, I think at least we ought to adopt my second amendment. The second Graham amendment which says that, when the Social Security program moves into a deficit position, we should be able to refinance the program by a simple majority vote. If we were able to borrow from Social Security at a majority vote, why should we not be able to pay off the beneficiaries with a majority vote?

In addition, I would like to comment on the issue of judicial review. As the advocates have stated on this issue, as well as others, how much judicial interference there would be in enforcing this amendment? All of these matters can be handled pursuant to the language in section 2 which states:

> The Congress shall enforce and implement this article by appropriate legislation which may rely on estimates of outlays and expenditures.

I think that there is an obligation owed by us to the American people to tell them how we are going to do that. I believe that the outcome of the balance budget amendment has been misrepresented. We should outline the implementing legislation. I believe that the advocates of this legislation ought to present to us between now and approximately 23 hours from now that language. Certainly, the bill's advocates have drafted this language. The objectives and strengths of this legislation are being regularly commented upon. Making public that language might help to alleviate some of the concerns that myself and others have raised during this debate.

I think we have a right to see what the implementing language will actually say so that we can assess whether we think it will protect the Social Security System, and other important areas that have been stated.

Or finally, and this, again, goes to the chairman of the Budget Committee, if we pass this amendment without either the modifications that address the serious problems of integrating Social Security into the rest of the Federal budget, and without the ability to analyze the implementing legislation, then I think the Budget Committee needs to lead our colleagues by pledging that we are not going to succumb to the temptation to borrow an additional $2 trillion between the year 2002 and 2018. Instead, the Senate will produce a budget plan that, in fact, will get us in balance, without having to use the Social Security surplus. That we will, rather than adding to the national debt, be adding to the Nation's savings account.

I think that a commitment by the leadership of the Senate and the Budget Committee that they would take that course of action would be of considerable relief to the American people, it would certainly be of considerable relief to this Senator.

So, Mr. President, in closing, the American people are poised for a disappointment. It is not the first time. This Congress, over many years, has stated that its intention was to act with fiscal responsibility. You could list the amendments, bills, the proposals that have had that as their objective. In every one of those instances, the American people have been disappointed. They have felt that they have been misled. That has contributed to the fact that the public standing of this institution has reached almost historic lows.

It is in our hands to do otherwise. It is in our hands to pass a balanced budget amendment which will live up to our rhetoric. It is in our hands to pass a balanced budget amendment which will provide a strong deterrent to further additions to the national debt. It is in our hands to pass a balanced budget amendment that will protect what has been one of the great social programs in this Nation's history, a program that has lifted the America's seniors out of poverty, given them a level of respect and dignity in their retirement years. We should protect the Social Security system, a system that now stands in the gun sight of this amendment.

All of those things are within our power to do and to do beginning 23 hours and 5 minutes from now. The question is, will we? Thank you, Mr. President.

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER (Mr. THOMPSON). The Senator from New Mexico.

Mr. DOMENICI. I thank the Chair.

I might say to my friend from Florida, I only have about 15 minutes, and if the Senator does not mind, with reference to the questions the Senator has posed to me regarding the Social Security trust fund, I will come back to the floor on another occasion before the vote if I am granted time and I will explain my version of what the Senator has just described.

Frankly, I think the issue is one of a unified budget and whether we should abandon the unified budget or not. I am a staunch proponent of the unified budget which has everything on board for economic purposes and for deficit purposes. I believe I can explain to the Senator that the changes the Senator is talking about would be accomplished by majority vote, not by supermajority vote, because of the residuals we are talking about, and the residuals come about by passing laws that change things, and those laws are passed by simple majorities. But I will go into that in more detail with the Senator at another time.

I came today, Mr. President, because over the weekend there was a lot of talk about what I choose to call what ifs. There were some what ifs that Senator MOYNIHAN used on ''Meet the Press.'' There is a what if this morning by a columnist named Richard Kogan, who used to be a staffer on the House Budget Committee. And I would like to talk about this a bit because this constitutional amendment will not leave us without some what ifs. I think there will be some.

I propose that the what ifs we are going to have to address are less dangerous to America's future than if we do nothing and leave the budget process and leave the Constitution alone and continue the profligate spending that we have.

I was lucky over the weekend to go for 4 hours to the city of Detroit and then moved next door to Oakland County to conduct a hearing with my distinguished friend, the new Senator from Michigan [Mr. ABRAHAM], and a very large crowd of participants, including their Governor.

It is interesting, Mr. President, that on that day on the front page of the Detroit paper was a good picture of

money, and it was 43 million dollars' worth of money. It was, ''What Does $43 Million Look Like?'' It indicated that the night before last they were drawing their lottery, which they call a lotto, and somebody might win $43 million.

I would like the American people to know that it is interesting that it took that much space to show $43 million, and yet in 1 day the deficit of the United States is increased by about $500 million, which is about 12 times that $43 million. I left a dollar with Senator ABRAHAM and said buy me one of those lottery tickets and make the U.S. Government the beneficiary, and if we win we will get $43 million. It turns out there were three winners so we would only have gotten $15 million.

But essentially, if we would have won the $43 million and put it against the deficit, which exists even though Americans are working and paying taxes to try to pay our current expenses, it would have taken care of 2 hours of the accumulated deficit of the United States for the year—2 hours, $43 million.

Now, frankly, that is what brings me to the floor and that is what brings me in support of an effort on our part to produce within our Constitution a mandate that we stop this kind of profligate spending which is going to cause America to have little economic future 15 or 20 years from now when my good friend from Florida is worried about how we are going to pay the Social Security recipients, and I am worried about that. But I am also worried about what is going to remain for anybody else, including my grandchildren and their children, who are going to have to work—in one case it is suggested that to pay this bill, if we do not get the costs under control, the marginal tax rates would have to be 82 percent.

Now, who is going to work in America and what kind of future do you have if that is the case?

So there are a lot of what ifs, and one of the what ifs is what would we do if our banking system or our savings and loan system suffered a very big loss and we had to come up with the money to bail it out.

Well, Mr. President, let me suggest there is nothing in this constitutional amendment which says you must have a three-fifths vote to conduct the business of the U.S. Government, whatever that business is.

What it does say is if you want to do it in a way that is unbalancing the budget and you must borrow more money to do it, you need three-fifths.

So it is a matter of priorities and choices. And for those who think we will not have the wherewithal to prevent the big recessions from occurring and harming us more if we have this amendment than if we did not, might I suggest that we can be accused of a lot of things but we cannot be accused of being totally ignorant and stupid. We will have to draw our laws after we have this amendment in place—and I hope it is in place within the next couple of years—we will have to draw the laws with reference to security of banks, security of savings and loans, recessions and, yes, even unemployment compensation so as to comply with this law. We will have to choose some priorities. We may in fact have to set up better reserves in some of these funds so that at the end of the year we do not have to push ourselves out of balance in order to meet these kinds of requirements.

So for those who want to continue with a whole laundry list of what ifs, I would just suggest what if we do not do anything about this deficit. That is the biggest what if.

Some would say just go ahead and cut the deficit, cut programs. Some of us have been trying for a long time. Presidents have been around, four, five, or six, and we have only had one balanced budget or two in that whole period of time.

What we need is the American people speaking throughout our country in a loud and clear voice that says enough is enough. And what if we do not put this in the Constitution and force ourselves, and, yes, force the American people to accept less from their Government rather than more?

Now, in trying to get the deficit better under control, when we have our great constituents, our friends from our home States, coming before us saying, ''Not my program, somebody else's,'' let me say in my State I pledge only fairness, that my State in this restraint and this restructuring of Government will be treated fairly. But I cannot say that every single program and every single entitlement that we currently spend, that we currently have programmed in where they will increase every year—in the case of Medicare and Medicaid at 10.5 or 11 percent ad infinitum—I will not have to say who is going to pay for that. And if we have to get the deficit under control, what are we going to change if we do not change yours?

So the bigger what if is not what if we have a bank failure or what if we have a recession or what if we have more unemployment.

I would remind the Senate, if you are wondering whether the Senate can work its will even against difficult voting requirements for something like unemployment, I would like to put in the RECORD the unemployment compensation extension which occurred, believe it or not, when the rule of law in the Senate said you cannot spend any more money because you would violate the pay-as-you-go requirement, much like we are going to have with this constitutional amendment, and somebody said we have to pay for unemployment, we still need 6 or 8 months of extended benefits. What do we do? What do we do? Eighty-eight Senators voted to do it; 88 Senators voted to do that because it was needed.

Now, that is the what if. If we have not planned to take care of that, we will vote on it, just like we do everything else. And who knows, we may even do the next one by a simple majority for we might cut something and say cut this and pay for something that is more important. We do not choose to do that very often even in crisis in our great country and in our great Senate and House. We choose to say we have to spend some more because there is a crisis upon us.

There are stabilizers in our economy now. Where I now see this new diagram of how our economy has been up and down since the turn of the century, including the Great Depression, and it used to be that our economy went in broad sweeps like this and now in the last few years we are just in narrow sweeps like this because we have a lot of stabilizers in it. The biggest one is the Federal Reserve Board. It now controls things so we do not have those big ups and downs. I do not think we are ever going to have them again. Is it suggested that the stabilizers in our Government—unemployment compensation, the Federal Reserve Board putting more money on the market or making less available, reducing short-term interest rates if they can, in crises, extending unemployment when we need to, making sure that banks really cannot go totally broke from the standpoint of diminishing our currency value—we have all those things in place. Are we going to wipe all those out just because we are insisting that it is enough to spend $1.6 trillion and perhaps we should not spend $1.7 trillion? Should we not be prudent enough to keep the stabilizers in?

So I believe those arguments are truly, truly red herrings. For those who think we ought to control the American economy by turning spending on and off, the Keynesian idea of economics, frankly they will remain people who think that is what we ought to do. And there will remain those who do not think we ought to do that. And, frankly, I am confident that we are going to find our way within the implementing language for this amendment to do what we must to be prudent and rational with reference to a strong American economy.

I would like to make two other points. First, all of the changes required to reach results within the framework of this constitutional amendment require simple majorities. It was thought at one point the Constitution may have in it three-fifths vote on taxes. That is not in the Constitution, in this amendment. So whatever you want to change to make the deficit go up or down, tax more, cut more, create less of an entitlement or a bigger entitlement—those are all done by simple majority. It is the residual of the simple majority votes that end up with the deficit being too big or too little.

My final point is it is amazing to this Senator that there is now an argument that we should not have a three-fifths vote to borrow more money and break

the concept of a balanced budget at a point in time. There is an argument we should not have three-fifths.

My friends and fellow Americans, you must be bound by something. The simple majority got us where we are, voting for everything and refusing to cut; voting for taxes, and then not voting to cut spending. Those are all a result of simple majority votes.

Should we have a constitutional amendment—what a joke—that says you must be in balance unless a simple majority says you do not have to be? Why go through the trouble of passing it? That is the rule today. That is what Senator Harry Byrd from Virginia did 18 years ago in the U.S. Senate. He passed a substantive law of the land that said you shall no longer have any deficits, starting 1 year from now.

That stayed on the books while we incurred deficits, because when Congress votes the last vote, the last law governs. So if we had a constitutional amendment that did not have some kind of supermajority, where would it stand on a roster of enforceability, of something with teeth? It would have zero teeth.

So, for those who do not like the three-fifths, they must be saying one of two things. We will really solve the budget with simple majority votes, although we have been unable to do it heretofore; it will be done. Or they must be saying it should be stronger than three-fifths. I thought that was an argument I might hear. I thought I might hear an argument that there should be no way to avoid a balanced budget—three-fifths, six-fifths, who cares? You cannot do it.

This amendment is pretty well thought out. Because most things will get done by simple majorities around here, which is the good way to do it, the democratic way, the majoritarian vote idea is a paramount idea in American democracy. However, we are merely suggesting that the debt is getting too big. The annual deficits seem never to be controllable. So when it comes to borrowing money to pay for this deficit, increasing the debt, that you have to have a supermajority. I think it is the only way we are going to get there. In fact, I will confess when they were looking for ways to enforce a constitutional amendment, and if you look back in history we have had a number of them, they have been enforceable by different mechanisms, I concurred wholeheartedly as budget chairman that this was probably the best way—put a limitation on the public debt.

I believe when we are finished arguing tomorrow about the unified budget and Social Security—and I hope to bring that to the floor and talk about it—that essentially everyone will understand that the unified budget governs everything in it and that essentially if you want to change things you change them by simple majority and you are not going to borrow any more or any less, based upon the Social Security trust fund, because those calculations are already in the unified budget concept by definition.

I will go into that in more detail tomorrow because I believe that is the case. I do not believe the argument that you can borrow all you want from Social Security because you are only governed under this amendment when increasing the publicly held debt; I do not think that is a valid argument. I think they are one and the same when it comes to the unified budget. It is no easier to do one or the other under the unified budget and I will try to do a better job on that tomorrow.

So, in conclusion, this Senator has been through many, many ''what ifs?'' Many times we have said what if we would have done this, we would be in better shape than we are. What if the 1986 budget that Senator DOLE and I put through the Senate had been accomplished, where would we be? We would be very far along in terms of the deficit, ridding ourselves of it. But it did not happen. So the what ifs on the side of the equation that says what if we do not do this, put this constitutional amendment in place, far outweigh the other what ifs about how we will solve some other smaller problem within the huge, huge notion of borrowing to pay for our current debts and interest that we have incurred.

I will close today by suggesting to the senior citizens of the United States, if I were advising what policy should be adopted I would say whatever policy the Congress of the United States and the President are going to be firmly committed to that is most apt to have sustained economic growth over a 20- or 25-year period of time. Whatever that policy is, with reference to fiscal policy, we better support it. I will guarantee that for all that is being said on the floor about the future of the Social Security trust fund and how much have we borrowed and how much have we not borrowed and what are we going to do 12 years from now and 20 years from now, I will say to every senior in America there is little chance that what is expected of Social Security will ever occur in a 20- or 25-year timeframe, unless you can extract from your legislators and policymakers that they have done the very best they can to create an environment for sustained economic growth. Without it Social Security is doomed, the pensions of the future are doomed, and the trust fund is not going to mean much.

I believe a balanced budget approach like this is a start down the road of the best fiscal policy we can have, comparing what we have been able to do and what we have promoted and propped up and levied against the people of this country over the past 20 to 25 years.

I yield the floor.

The PRESIDING OFFICER. The Senator from Rhode Island.

AGAINST THE AMENDMENT

Mr. PELL. Mr. President, after much deliberation, I have concluded that I should not support the balanced budget amendment and will vote against it when the final vote is taken in the Senate tomorrow.

The proposed amendment is appealing on the surface, but underneath there are a host of problems. I believe its objectives are unrealistic and possibly detrimental, and I fear that it could place intolerable burdens on the States.

I find myself in basic disagreement with the philosophy of the proposed amendment. As our distinguished colleague from New York, Mr. MOYNIHAN, has so eloquently reminded us, the Federal budget is not supposed to be in perpetual balance. Those of us who experienced the economic cycles preceding World War II have a special respect for the wisdom of John Maynard Keynes, who showed us that government should save when times are good so that it can spend when times are bad.

The balanced budget amendment is the antithesis of that sensible doctrine. Its ritualistic requirement for balance in each fiscal year disregards the random vagaries of economic cycles, precluding the timely operation of automatic stabilizers such as unemployment insurance and bank deposit insurance during downsizings when they are most needed.

Likewise, the ritual requirement to achieve balance might deter the accumulation of budget surpluses in good years, since the pending amendment might tend to promote unreasoning tax slashes, instead of the prudent salting away of a surplus.

I also fear that the rapid withdrawal of some $1.6 trillion in Federal spending in the arbitrary time frame of the next 7 years could virtually wreck the economy, especially if it should coincide with a period of high interest rates or a recession. And I am particularly concerned about the impact of a cumulative loss of $1.8 billion in Federal spending to the small State of Rhode Island over the same timeframe.

Finally, Mr. President, I recoil at the notion of using our Constitution for the purpose of imposing bookkeeping rules. I doubt that this amendment will stand the test of timelessness which has sustained the wisdom of the Framers for 200 years.

From the perspective of the year 2095, it may appear rather anomalous that the U.S. Senate spent the month of February 1995 trying to mandate for all time that our books should be balanced, down to the last dollar and cent, at the end of each 12-month period. My guess is that—if the amendment is approved—a disenchanted electorate will have repealed it long before the century passes.

Of course, we can and should continue to do everything we can to cut Government spending and reduce deficits. But we already have ample authority to do so and should simply get on with the task.

In my mind, there is no need for a constitutional amendment. The Constitution should not contain a balanced

budget amendment, and I would trust that it does not succeed. I realize the political appeal of the very title of a balanced budget amendment is immense. It is not an open and shut case one way or the other. Many of us have proposed different ways at different times. I voted for it in the past. But it is a close call. But my conclusion is that the best interests of the Nation would be served by not passing the balanced budget amendment.

The judgment against this proposal was best summed up by the columnist David Broder when he wrote that it is ''a bad idea whose time has gone.'' The time and place to stop it is here and now. I urge its rejection.

I yield the floor.

Mr. PRYOR addressed the Chair.

The PRESIDING OFFICER. The Senator from Arkansas.

Mr. PRYOR. Mr. President, I thank the Chair for recognizing me.

Mr. President, before I make a few short remarks, I would like, if I might, to compliment the distinguished Senator from Rhode Island. He and I have talked about this issue of the balanced budget on several occasions. I have been in what you might call sort of soul-searching meetings with the Senator from Rhode Island. I have watched him—I do not want to say in his agony—in attempting to reach a decision about his vote. But I certainly have seen him trying to search for the proper role to take and the proper answer to give to his constituents and ours with regard to this all-important vote that we will take tomorrow.

Mr. President, please allow me to compliment my very distinguished friend from Rhode Island, not only on his decision, but on the very thoughtful way in which that decision was reached.

Mr. PELL. I thank my friend, the Senator from Arkansas.

AMENDMENT NO. 307

Mr. PRYOR. Mr. President, on Friday I talked briefly about an amendment that I am going to call up for a vote tomorrow. The number of this amendment, for the purposes of our staff who might be watching the monitor at this time, is amendment number 307.

Mr. President, this amendment is very simple. In fact, it is only one sentence long. I am going to take the liberty of reading amendment 307 that we will consider tomorrow, and I will do that at this time. On page 3 of the constitutional amendment, between lines 8 and 9, the following sentence would be inserted:

> It is the intent of Congress that each State should, as a part of the ratification process, submit to Congress recommendations for reductions in direct and indirect Federal funds provided to the State and its residents (based on the State's allocation of Federal funds) necessary to balance the State's share of the Federal deficit.

That new sentence I would attempt to add by amendment 307 to the proposed constitutional amendment before us at this time.

Mr. President, I call this—and I think I can call it this in all truth and honesty—a States' rights amendment. This is an amendment that would belong to the people as their right to tell the Congress how the cuts should be made in our respective States.

Back in the middle part of January the Department of Treasury came out with what I consider to be a very thorough study of how each State would be impacted and affected by a constitutional amendment to balance the budget by the year 2002.

Mr. President, I hold this study in my hand. And from time to time, I have been given the opportunity to discuss with my colleagues in the Senate how each of our States represented by this body would be affected by this particular amendment that will be voted on sometime during the course of the legislative day tomorrow.

For example, the Treasury Department has indicated that the State of Arkansas from which I come, a small State of around 2.5 million people, would have to increase State taxes—not Federal taxes, State taxes—by 16.5 percent across the board to make up for the loss of grants, should the balanced budget amendment pass, and the Federal budget is balanced by the year 2002.

Also, Mr. President, we would see a cut in about $1.1 billion a year in Medicare benefits to our State, and another $1.1 billion per year in other programs where the Government allocates the money to the States.

There are going to be severe cuts to each State. My amendment basically would say that the people of the State—through or via their own State legislatures sitting at the proper time, during the debate on whether or not to ratify this amendment by the respective States, would tell their State legislators sitting in their respective general assemblies how the people feel these allocations should be effectuated in the State.

The State legislatures would be looking at the allocation of cuts based upon the total Federal funds received today. That would be the basis of the formula that the States would be employing in recommending to the Federal Government, the Federal Congress, the national Congress, how these Federal funds, these cuts, should be implemented out in the States.

This would give the people of our country a very, very rare opportunity. It would provide our people the opportunity to tell Congress where these cuts should be made. It would provide the people of America the right basically to petition Congress, in an informal, nonbinding way, say as what we believe out in the country, the priorities should be in allocating cuts in Federal spending back to the States.

Mr. President, we have just gone through a very, very lengthy several days of session in the Senate with regard to the issue of unfunded mandates. Let me say that this is not an unfunded mandate. This is not even a mandate. This is something merely declaring the intent of the Congress, that the States would have the opportunity to show us where these cuts and where this pain could be best allocated. We think it is fair; we think it is simple. It speaks to the issue in one simple sentence that we hope will be accepted by this body tomorrow.

Some might say, if we accept this amendment, even though it is just one sentence, then we are going to have to go back and have a conference with the House of Representatives to reconcile any differences. We would do this because we have dared to differ with the House just by adding this one sentence. Mr. President, I do not really buy that argument, because it is very rare indeed that we approach the eve of a historic vote on an amendment such as this, which will change forever the basic relationships of the three branches of Government. We would be forever changing the way Government deals with how we finance, how we structure the American economic system.

This is a crucial, critical vote tomorrow. In the 1 or 2 days' time that might be expended in a conference between House and Senate conferees—conferences are done all the time; it is normal and it is natural to have conferences on differences between the two bodies—I feel they can work out. If not this language, at least the spirit of this language to be encompassed in the final draft of the amendment, so as to give the people of America the opportunity to speak to the Congress, to say where these cuts should occur.

Mr. President, once again, the people of the State would speak during the ratification process. This is presupposing—maybe wrongfully, I do not know—that there will be 67 votes tomorrow to ratify this amendment to balance the budget. But, Mr. President, in my opinion, it is very, very important because we have now lost the fight on the people's right to know how Congress will balance the Federal budget, and at least we will have some safeguard, some measure of the impact on the States, should this amendment receive 67 votes. And before the States ratify or fail to ratify this amendment, we would have the opportunity for the people to express to us how they feel as to the allocation of this pain that we will feel.

Mr. President, I will conclude by saying that this is, as we have all known for a long time, going to be a very close vote. We are seeing many phone calls come into our offices, and letters and telegrams; there is no question about that. That should be encouraged because the people should express how they feel about altering the Constitution of the United States in this way. But I am just very hopeful that all of the people in the country who are watching this particular debate on this issue of the balanced budget amendment, I am just hoping, Mr. President,

they will realize that most of us in this body want and desire and are committed to a balanced budget. Some of us do not feel at this time that the proper way to achieve that balanced budget is to put it in the Federal Constitution.

I, for one, do not feel that we should wait until the year 2002 to begin trying to balance the budget. I think that we have to begin that process now, as we did in 1990, as we did in 1993. We have to continue on that cycle in order to find ourselves, to place ourselves on the glidepath to a balanced budget. I think, too, that many people who might be watching this argument must realize that we cannot in this country violate a 60-year-old contract that we have had and have maintained with the people of this country relative to their Social Security trust funds, which some fear will be used to balance the budget.

Mr. President, we know that in this amendment, we have voted down the amendment which would have exempted Social Security funds from the balanced budget amendment. I say, and say without reservation, that this was one of the more critical votes that we dissected and explored with regard to this constitutional amendment.

Finally, Mr. President, I think there is another issue that hangs out there and haunts us and, in fact, taints this constitutional amendment as proposed. This is the issue of the judiciary's role in interpreting what we did, and also, the role that the Federal judges might well play in implementing the constitutional amendment to balance the budget, and their having the ability to raise taxes to balance the Federal budget.

Mr. President, I am not talking about the U.S. Supreme Court having that ability. I am talking about Federal district judges perhaps having the opportunity, or seizing the opportunity, to come forward and say that the Congress has not balanced the budget; therefore I, acting under the authority vested in me as a Federal district judge in Nashville, TN, or Little Rock, AR, or Oshkosh, WI, or wherever the case may have arisen, to enjoin the issue of taxation.

Under the constitutional amendment, we are going to see taxation without representation, Mr. President—that is my firm belief—in the event that we pass the Federal balanced budget constitutional amendment on tomorrow.

Tomorrow is a critical vote, and I just hope that the people of our country will realize that this has not been a delaying tactic, that we have wanted to fully explore the momentous decision that we have to make on tomorrow.

Mr. President, I respectfully submit that on both sides of the aisle, we have conducted this debate in a manner where I hope the people—whether they agree or disagree with our decision—will at least say that the U.S. Senate is a great deliberative body and that we have carried out our mission, I hope, with sincerity and a commitment to the cause that we are attempting to serve.

Mr. President, I see my very good friend from Connecticut, and he is not ready to speak just now. Therefore, I will 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. DODD. 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. DODD. Mr. President, I rise again today to discuss the balanced budget amendment and to provide what I hope will be some constitutional historical perspective on this issue.

Let me begin by commending my colleagues for the fact that we have had an opportunity now over the past several weeks to thoroughly debate and discuss this issue. As my colleague from Arkansas just noted, I think the institution has been well served by this debate. It is exactly what the framers intended; that, on matters of deep and profound concern to the Republic, this body act in a deliberate fashion. And there can be no matter more serious than an effort to amend the Constitution of the United States. And certainly, when we attempt to do so, a thorough and complete debate and discussion of the implications of that decision ought to be the business of this body for however long it takes.

I particularly want to commend the efforts of my colleague from West Virginia, Senator BYRD, who is, I believe all recognize in this body, regardless of party, truly one of the great historians, one of the great minds when it comes to the Constitution, and to the rules of the Senate. I suspect that all of our colleagues have benefited directly from his historical perspective and his leadership on making Members aware of the implications of a constitutional amendment of this significance.

Mr. President, the congressional leadership of the new majority is now advocating the most sweeping rewrite of the U.S. Constitution in two centuries. In addition to the matter before us—the balanced budget amendment—many in the new leadership are advocating amendments on tax limitation, term limits, line-item veto, unfunded mandates, school prayer, and flag burning. Mr. President, that is seven constitutional amendments that the new Republican leadership hopes to pass in this Congress.

Other than the Bill of Rights, composed of 10 amendments, all ratified in 1791, making so many changes to the Constitution so fast would be utterly and totally unprecedented.

Throughout our history, we have changed the Constitution only occasionally. Since 1791, we have amended the document an average of only once every 12 years. We amended the constitution only four times during the entire 19th century—that is three fewer amendments than the new majority leadership wants to adopt in the next 2 years alone.

It is certainly not unusual for the winning party in an election in this country to seek adoption of its legislative agenda. That is democracy and that is as it should be. What is unusual, Mr. President, about the new leadership's plans is the desire to enact its agenda not by statute but into the permanent Constitution of this Nation, the organic law of our country.

These proposals are even more surprising, I might add, coming from some who are self-styled conservatives who profess to believe in cautious, reasoned, and judicious change.

The Constitution is not a set of fraternity bylaws to be amended with each new pledge class. It should reflect not the popular winds of the time, but the sacred principles of all time.

As a country, we have never supported governing by means of constitutional amendment. Since the adoption of the U.S. Constitution, 10,831 constitutional amendments have been proposed in the U.S. Congress, but only 17 of those amendments have ever been ratified, if you exclude the Bill of Rights. That is fewer than one-quarter of 1 percent of all amendments ever proposed.

Why do I mention that? The procedural hurdles to ratification of constitutional amendments are very, very hard for a very, very good reason. An amendment that may look perfectly reasonable today may prove to be unnecessary or even dangerous, not to mention silly, down the road.

A few examples from history I think will make this point.

In 1808, one of my predecessors from Connecticut, Senator Hillhouse, proposed to limit the President's annual salary to $15,000 a year by writing it into the Constitution of the United States. Now, I am hesitant about citing that example because it may enjoy some popular support today, given the reactions the people have to people serving in public life. But Senator Hillhouse figured that surely this was a generous offer at the time.

In 1838, the Nation was scandalized when one Member of Congress killed one of his colleagues during a duel. This led to the introduction of a constitutional amendment to bar individuals implicated in dueling from ever holding elective office by changing the Constitution.

In the latter half of the 19th century, a great concern over the abuse of patronage led to repeated amendments mandating the popular election of postmasters and deputy postmasters in the country. Imagine what that would do to the political process today?

In the opening decades of the 20th century, there was increasing alarm over the number of divorces in the country that led Senator Ransdell of Louisiana to offer a constitutional

amendment to prohibit divorce in the United States.

In 1919, a growing concern over the evils of drinking led to the 18th amendment, prohibiting the sale or manufacture of alcoholic beverages in the United States. The amendment, as most will recall, was a failure—prohibition was widely flouted. Congress's only choice was the unseemly one of adopting yet a new constitutional amendment to repeal the previous one.

My point, Mr. President, in mentioning these amendments is not to ridicule those who offered them nor to question their motives at the time. In fact, many of these proposals were undoubtedly reasonable, or at least thought to be so, at the time they were suggested. But, Mr. President, as I recite them, I think all would agree that they would not have stood the test of time.

Over time, I believe that a balanced budget amendment will fare no better.

I would like to take a few moments, if I could, and add a little historical perspective to our debate on balanced budgets.

Much has been said in the last few days and weeks about our current Federal deficit and debt problems. I would concur with my colleagues about the importance of reducing our debt. It is clearly a drag on our economy and a burden on all Americans.

I, however, strongly differ, Mr. President, with my colleagues in their interpretation of our current deficit problems as a recent development in our Nation's history.

This chart to my left, Mr. President, lays out the historical perspective, beginning in 1794 and moving up to 1994 of surpluses and deficits as a percentage of our spending.

This chart reveals that there have been wide variations in spending patterns throughout our history. We have had surpluses as high as 102 percent of Federal spending in 1835—in this area—and deficits as great as 89 percent of Federal spending in 1862 during the Civil War—this bottom line down here.

The chart also illustrates that our current difficulties are small relative to deficits that our Nation has experienced in the past. When we compare the high-water marks of past deficit spending with the worst of the Reagan era deficits, we find that the depth of our current deficit cycle is much smaller.

That is the period from here, beginning at about 1959, and going to the present, these smaller lines back and forth.

In 1983, at the height of our current deficit problems, the Federal deficit was 26 percent of overall spending. It is now about 13 percent of overall spending. Let me quickly add, there is no question that these rates are far too high, but they have been far worse—and we have recovered.

We have run deficits in half of our last 200 years. Most of the major bumps and squiggles that you see on the chart are readily explainable. The War of 1812, the panic of 1837, and the depression that followed—I have already mentioned the Civil War, the bottom line here—World War I, over here, and World War II, as well, where deficits were incurred.

Without the so-called discipline of a balanced budget amendment, we were able to get out of those difficult deficit cycles.

One huge deficit swing that is not reported on this chart is President Thomas Jefferson's 1803 decision to make the Louisiana Purchase.

Jefferson borrowed $15 million, an amount $4 million greater than the entire Federal budget for that year, to acquire the new territory.

Based on a letter he wrote, a number of my colleagues have cited Jefferson as a supporter of a balanced budget amendment.

I think my colleague from Texas, Senator GRAMM, is one who made specific reference to it. I point out that Thomas Jefferson would have found it a good bit more difficult to make this purchase if a vote on waiving the Constitution to permit an unbalanced budget had been required in 1805. Today our colleague from Texas might be running for the Presidency of Texas rather than the Presidency of the United States.

The Louisiana Purchase does not show up on the chart because of an accounting distinction. The appropriation is not shown here because our chart excludes receipts from borrowing. If borrowing had been included, the Louisiana Purchase would be twice as deep as the largest dip in the chart caused by the Civil War.

Jefferson knew that the Constitution did not explicitly grant authority to purchase new land, and that concerned him. He considered a constitutional amendment to permit such authority. But he realized, Mr. President, that the opportunity to buy the new land could be lost through a lengthy ratifying process. So despite his constitutional reservations, he sought congressional approval to add both vast new territory and a staggering public debt to our young Nation.

Mr. President, the historical perspective reinforces, I think, a very important point. Balanced budgets have not been a natural part of our national experience. Nor should we expect them to be.

Clearly, balanced budgets are desirable. I do not think there is any debate about that point. But they are not our only goal. Providing economic and military stability, raising living standards, promoting adequate savings and investment, and reacting repeatedly to unforeseen events, are also critically important objectives.

It is unrealistic, in my view, to expect any great nation to achieve all of these goals in every given year. In America, we elect our representatives to make difficult decisions and to balance competing needs. If we amend our Constitution to require balanced budgets we elevate one goal above other equally important objectives. We fundamentally change our ability to respond to complex and changing circumstances.

It is a law of physics, Mr. President, and of life, that every action has a reaction. Some we can anticipate, others we cannot. One reaction we can expect is that balancing our budget in economic recessions will destabilize our economy and increase the volatility of the financial markets.

Laura Tyson, the President's Chief Economic Adviser, recently noted that had a balanced budget requirement been in effect during the last recession, it would have thrown 800,000 people in this country out of work. Historically, deficit spending has functioned as an important fiscal tool to stabilize the economy and moderate fluctuations in the business cycle.

When the economy is in recession, the Federal Government takes in less money. That is stating the obvious. A balanced budget requirement would compel Congress to match declining revenues with increased taxes or spending cuts. In the process, Mr. President, it would force the Congress to renege on promises to provide a critical safety net to our citizens just when it is needed the most, and it would impede our ability to hasten recovery by providing a fiscal stimulus when it, too, was needed most.

Changing the Constitution is not like adopting a simple statute that can be modified or appealed in that Congress or succeeding Congresses. Constitutional amendments must be held to the highest possible standard. Indeed, the language we insert into the Constitution will very likely stay there as long as this Republic stands. Generation after generation will live with the consequences of our constitutional decisions.

Henry Clay said, 140 years ago:

> The Constitution of the United States was made not merely for the generation that then existed, but for posterity—unlimited, undefined, endless, perpetual prosperity.

The key to the Constitution's ability to endure is its simplicity, Mr. President. That is why making the Constitution too long and too specific runs the risk of damaging the entire document. The Framers understood that danger when they wrote the Constitution two centuries ago.

Edmund Randolph of Virginia was one of a handful of delegates to the Constitutional Convention charged with turning the general principles agreed upon into constitutional language. Before getting down to drafting, Randolph briefly spelled out his philosophy of Constitution writing:

> In the draft of a fundamental constitution, two things deserve attention: (1) To insert essential principles only, lest the operations of Government should be clogged by rendering those provisions permanent and unalterable, which ought to be accommodated to times and events; and (2) to use simple and precise language, and general propositions,

according to the example of the several constitutions of the several States; for the construction of a constitution necessarily differs from that of law.

While the U.S. Constitution has endured, many of our State constitutions have come and gone. As the constitutional scholar Martin Landau has pointed out, there have been more than 200 State constitutional conventions since 1789, as States have had to shelve detailed Constitutions that became obsolete and overly restrictive. As Landau writes:

State Constitutions, notoriously complicated, cluttered, and rigid, have come and gone—tossed away as outmoded, inelastic, and maladaptive instruments.

That is a fate, Mr. President, we do not want to visit on our national Constitution. We must ensure that it remains a brief, lucid statement of general principles, not a highly specific legislative vehicle.

I invite my colleagues to read the entire Constitution with all of its amendments and then immediately read this proposed amendment. Like me, I think you may find this to be a jarring exercise, moving from the simple elegance of our existing Constitution to the arcane complexity of this proposed addition.

This balanced budget amendment has eight sections and 292 words in it. That is more words, Mr. President, than the first five amendments that establish some of our most enduring and fundamental liberties: The freedom of speech, the freedom of religion, the freedom of assembly, the right to petition the Government, the right to bear arms, freedom from unreasonable search and seizure, and the right to a jury trial. There are less words included in those five amendments than is proposed by this amendment.

Mr. President, our current deficits are too high. We all know that. They need to be reduced. As a direct result of President Clinton's leadership, we have made significant progress on this problem. The deficits are declining for 3 straight years in a row, the first time, I might add, that that has happened since the Truman administration.

For the first time since the 1960's, the Federal Government is collecting more in revenues than it is spending on programs. Our most recent deficits are not due to overspending on Federal programs but rather to the payment of interest on the debt accumulated during the 1980's. According to the Council of Economic Advisers, our budget would be in balance by 1996 if it were not for required interest payments on the debt run up from 1981 to 1992.

It is important, though, that we take a broad view of deficit spending and learn from our past history. I refer my colleagues again to this chart of 200 years of Federal spending. Throughout our entire history, we have experienced great peaks and valleys in Federal spending patterns. Over the last 40 or 50 years we have had relative stability. This amendment threatens to compromise our economic stability and to do great damage to our economy.

We ought not to look just at this most recent period and ignore the spending patterns throughout our history. And, we ought not to look at most recent experience and deny 205 years of constitutional history in the process. That would be a grave mistake.

Mr. President, we have a serious obligation to confront our fiscal difficulties. We do not have the right to visit on the Constitution of the United States a highly questionable solution to a contemporary problem. The answer to our present-day frustrations should not be sought by cluttering up the perpetual life of our democracy. To do so, I believe, would be a decision that we will live to severely, severely regret.

I urge my colleagues to reject this proposal when the vote occurs tomorrow.

Mr. President, I yield the floor.

Mr. DEWINE addressed the Chair.

The PRESIDING OFFICER. The Senator from Ohio.

Mr. DEWINE. Mr. President, I rise today in very strong support of a balanced budget amendment to the Constitution.

I will begin by asking unanimous consent that this letter that was released today signed by 219 economists from throughout the country who have endorsed the balanced budget amendment be printed in the RECORD.

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

BALANCED BUDGET AMENDMENT—AN OPEN LETTER TO CONGRESS, FEBRUARY, 1995

It is time to acknowledge that mere statutes that purport to control federal spending or deficits have failed. It is time to adopt constitutional control through a Balanced Budget Amendment. In supporting such an amendment, Congress can control its spending proclivities by setting up control machinery external to its own internal operations, machinery that will not be so easily neglected and abandoned.

Why do we need the Balanced Budget Amendment now, when no such constitutional provision existed for two centuries? The answer is clear. Up until recent decades, the principle that government should balance its budget in peacetime was, indeed, a part of our effective constitution, even if not formally written down. Before the Keynesian-inspired shift in thinking about fiscal matters, it was universally considered immoral to incur debts, except in periods of emergency (wars or major depressions). We have lost the moral sense of fiscal responsibility that served to make formal constitutional constraints unnecessary. We cannot legislate a change in political morality; we can put formal constitutional constraints into place.

The effects of the Balanced Budget Amendment would be both real and symbolic. Elected politicians would be required to make fiscal choices within meaningfully-constructed boundaries; they would be required to weigh predicted benefits against predicted tax costs. They would be forced to behave ''responsibly,'' as this word is understood by the citizenry, and knowledge of this fact would do much to restore the confidence of citizens in governmental processes.

It is important to recognize that the Balanced Budget Amendment imposes procedural constraints on the making of budgetary choices. It does not take away the power of the Congress to spend or tax. The amendment requires only that the Congress and the Executive spend no more than what they collect in taxes. In its simplest terms, such an amendment amounts to little more than ''honesty in budgeting.''

Of course, we always pay for what we spend through government, as anywhere else. But those who pay for the government spending that is financed by borrowing are taxpayers in future years, those who must pay taxes to meet the ever-mounting interest obligations that are already far too large an item in the federal budget. The immorality of the intergenerational transfer that deficit financing represents cries out the correction.

Some opponents of the Balanced Budget Amendment argue that the interest burden should be measured in terms of percentage of national product, and, so long as this ratio does not increase, all is well. This argument is totally untenable because it ignores the effects of both inflation and real economic growth. So long as government debt is denominated in dollars, sufficiently rapid inflation can, for a short period, reduce the interest burden substantially, in terms of the ratio to product. But surely default by way of inflation is the worst of all possible ways of dealing with the fiscal crisis that the deficit regime represents.

Opponents also often suggest that Congress and the Executive must maintain the budgetary flexibility to respond to emergency needs for expanding rates of spending. This prospect is fully recognized, and the Balanced Budget Amendment includes a provision that allows for approval of debt or deficits by a three-fifths vote of those elected to each house of Congress.

When all is said and done, there is no rational argument against the Balanced Budget Amendment. Simple observation of the fiscal record of recent years tells us that the procedures through which fiscal choices are made are not working. The problem is not one that involves the wrong political leaders or the wrong parties. The problem is one where those whom we elect are required to function under the wrong set of rules, the wrong procedures. It is high time to get our fiscal house in order.

We can only imagine the increase in investor and business confidence, both domestic and foreign, that enactment of a Balanced Budget Amendment would produce. Perhaps even more importantly, we could all regain confidence in ourselves, as a free people under responsible constitutional government.

Mr. DEWINE. Mr. President, this particular letter was solicited by the American Legislative Exchange Council and I believe, when read, will indicate the strong support these economists have for the balanced budget amendment and why they feel it is necessary.

I agree with the statement of the Senator from Connecticut that tomorrow will be a very historic day. He and I come down on different sides of this issue. Many of his comments and many of the comments that have been made in the last 5 weeks on this floor against the balanced budget amendment may seem to make some sense. And quite frankly, I do not believe anyone in this Chamber is happy about the fact that

at this point in our history, we have come to the point where we have to pass, or at least many of us believe we have to pass, a balanced budget amendment.

Never before have we been this close to passing a balanced budget amendment and, quite candidly, I am not sure if we do not pass it tomorrow we will ever really have a good opportunity to do it again. For the balanced budget amendment to pass, the time is now. If we cannot pass a balanced budget amendment in the current political climate in this country—after having seen what happened in 1992 when everyone in this country voted for change in frustration and then in 1994 where people again voted for change, where today 80 percent of the American people want a balanced budget amendment—if we cannot pass it today, I am not sure that we ever can.

Last November, the American people voted for change. For 25 consecutive years, Congress has failed to balance the budget. The last time we balanced a budget in this country I was a senior in high school, 25 years ago. Congress has amassed a $4.7 trillion national debt that our children and our grandchildren and our great grandchildren are going to have to deal with. That, Mr. President, is what the American people voted to change in 1994.

For decades, they have heard promises from Congress. The American people, people that I talk to, are tired of promises. They want action. They are tired of words. They want a balanced budget and they want a balanced budget amendment. They know that Congress is simply incapable of balancing the budget unless it is forced to balance the budget. Eighty percent of the American people support the balanced budget amendment because they realize that unless we change the budget process in a fundamental way, we are not going to change the result of the budget process. Let us make no mistake about this, only a constitutional amendment can create this fundamental change.

As long ago as 1921, Congress was trying to change the budget process by statute. This strategy clearly has not worked. At least six different times, maybe more, this Congress has passed statutory balanced budget requirements, all to no avail. History proves that Congress cannot balance the budget by statute, and it has been true no matter which party was in power. When we had a Republican President, we had a deficit. When we had a Democrat President, we have had a deficit. When we had a Democrat Senate, we had a deficit and, yes, even with a Republican Senate, we have had a deficit, too.

There is no better evidence of the bankruptcy of this statutory approach than the current budget that was sent to Capitol Hill by the President. The President's budget proposes deficits in the neighborhood of $200 billion, but even more shocking, there really is no serious attempt to balance the budget in what people on Capitol Hill refer to as the outyears and what people away from the beltway refer to as the future.

As far, Mr. President, as the eye can see with the President's budget proposals, we have nothing but red ink. This budget proposal proves beyond a shadow of a doubt that America's fiscal policy is fundamentally misguided. Clearly, we need to change course, and if we do not change course, if the balanced budget amendment is voted down, the result will be a bleak future, indeed, for the next generation of Americans.

We are already paying over $235 billion—$235 billion—a year in interest on the national debt. That is eight times what we currently invest in education. It is 50 times what we invest in job training programs. Every year we add to this mountain of debt, every year we are committing more of tomorrow's resources, our children's resources, to pay for Congress' failures today.

By the year 2003, just 8 years from now, spending on entitlements and interest alone will exceed 70 percent of the whole Federal budget. Take out defense and you leave just 15 percent of the budget for all the discretionary spending—all the discretionary spending—on our domestic needs; less than 15 percent cumulative total for education, for job training, for Women, Infants and Children Program, and for all the other programs that help the American people at home; just 15 percent of the budget for all these programs combined.

We have heard a lot of talk on the floor about how a balanced budget amendment will stop us from being able to help the neediest in society, how a balanced budget amendment will unduly penalize our children, and how it will make it very, very difficult for us to invest in our future. I believe that just the opposite is true; that unless we pass a balanced budget amendment, future Congresses, future generations will have no money left to invest in our young people.

Mr. President, following up on these figures, if you go out to the year 2012, just 17 years from today, there will be nothing left in the budget for these social needs—zero, no money at all for our children. Every last red cent in the Federal budget will go to entitlements and interest payments.

The year 2012 has special significance for my wife and myself, because just a year before that, our grandson, Albert, will graduate from high school. In the year 2012, our daughter, Anna, should be in her first year of college. If we do not act today, Albert, Anna, and other children will pay a severe human cost. Tomorrow we face a decision about their future, and it is of historic significance. Let us prove by our vote tomorrow that we can put partisanship aside and that we can for once act together in the long-term best interest of our country and of our children.

Mr. President, let us just admit that well-intentioned people of both parties, of both parties, have failed to enact a responsible Federal budget. Therefore, let us do what is necessary to fix the problem. If we do not do it today, it may never happen. And future Americans will ask why, why, why the Congress, faced with a clear and well informed mandate from the American people, chose once again to defend a fiscal process that had already created a debt of nearly $5 trillion.

Some people would have us believe that this constitutional amendment is a quick fix; that it will not solve the real problems of fiscal policy, but when I go home to Ohio that is not what I hear. That is not what I hear from people back home. This is not something the people of Ohio want to do any more than we do. It is something, however, that they are convinced we have to do as a last resort.

In the short term, passing the balanced budget amendment is no quick fix. It will create a monumental challenge for this very Congress because for the first time in a generation we will not be permitted to take unlimited spending demands and just tack them on to the deficit. Future Congresses will have to deliberate, will have to make the best choices they can and will have to be judged by the American people on the results that are produced.

Over the short term this will not be pleasant, but over the long term this constitutional amendment is the greatest gift we can make to future generations. Last week, a columnist in the Wall Street Journal warned Senators that their grandchildren will remember the votes they cast on this amendment. I believe the author of that article was correct. That is why I am proud to vote yes on this very historic measure. I urge my colleagues to do the same.

Mr. President, I yield the floor.

Mr. THOMAS. Mr. President, I rise in support of the balanced budget amendment.

We will have talked about it tomorrow for 30 days. We talked about the pros and cons. We have debated and discussed it. Actually, I suspect it is fair to say that most everything that can be said has been said. I suppose the thing that has not happened is not everybody said it yet, and that seems to be why we go on as we do. It is not a new topic. It is not as if this issue just came up. It has been talked about for years. As a matter of fact, it has been voted on in the last several years.

Mr. President, you and I came from the House. We talked about it last year. We voted on it last year. It was voted on here. So it is not a new topic.

Interestingly enough, everyone who rises says, yes, I want to balance the budget; of course, we need to balance the budget. But we have been 26 years and have not balanced the budget. They rise and say, well, but we do not need an artificial discipline to do that; we just simply need to do it.

It is true. We have not done it. We have not done it for 26 years.

Many who oppose it have been here for a very long time, and I am not critical of that. But it has not happened. Many who oppose it have been in very important positions dealing with the budget. They have not balanced it. And you can argue about the reasons why. You can argue that it is difficult to have an amendment in the Constitution. But the fact is if you want to change the way things happen you have to change the process. You cannot continue to do things the same way you have been doing them for 26 years and expect some kind of different result.

I think the people of this country expect the decision. I am delighted that we are coming to a decision tomorrow. I think we have been too long.

I respect the notion that the Senate is here to deliberate, to take longer, I suspect, than the House typically takes. Nevertheless, there comes a time when the question needs to be brought to a decision, and that is what voting is for and we are going to do that.

I have a hunch that many of the things we have talked about have really been sort of a reason, a justification for voting no when in fact the big difference is a philosophical difference. It seems to me there is a great deal more involved here. As important as the financial aspect is, as important as the morality of being fiscally responsible is, there is also a broader question. That question is what kind of a Federal Government do you see us having? What do you see as the role of the Federal Government? Do you see it as an ever-increasing bureaucracy that grows continuously year after year?

If you take a look at a chart—I did not bring a chart—of spending, spending has continued to go up. Last year and even this year, in this budget, in my hometown paper it said administration cuts. It leads you to believe there is less spending than the year before. Not so. Spending has gone up. Spending is going up 5.5 percent. Spending has gone up every year. Spending will go up under the budgets that are being talked about in the House. So spending continues to go up.

There is a philosophical difference, however, as to whether you see the Government as ever growing or whether you see it as being limited, whether there ought to be a transfer or movement toward emphasizing State and local governments more, the private sector more, more personal responsibility, or do we continue to do more and more in the Federal Government. That is part of what we are talking about here—not only the money but also the role of the Federal Government.

We have heard a great deal just today about how there are exceptions, there are times when things need to be done, and that is, indeed, true. It also in the budget amendment allows for exceptions. It allows for changes. It does take a majority, or a supermajority to do it. But there is no reason why it cannot be done if it is justifiable and, indeed, it can be.

People and the legislatures of this country I think deserve an opportunity to vote on a constitutional amendment, if it goes there, and it should. We have talked about the Founding Fathers having not put it into the Constitution, but I recall Thomas Jefferson said if there was one change he could make, it would be to limit overspending.

I had the honor the other day to read George Washington's Farewell Address again, and he spoke to it. Let me quote.

> As a very important source of strength and security, cherish public credit. One method of preserving it is to use it as sparingly as possible, avoiding occasions of expense by cultivating peace, but remembering, also, that timely disbursements, to prepare for danger, frequently prevent much greater disbursements to repel it.

And then he said:

> Avoiding likewise the accumulation of debt, not only by shunning occasions of expense, but by vigorous exertions, in time of peace, to discharge the debts. . . .

We have not done that. And that is what this is all about. This provides the discipline to make the tough decisions that we have to make.

So there are reasons to do it. It is morally and fiscally responsible. Ask anyone should we balance the budget, should we spend more than we take in on a consistent, 26-year basis? The answer is no, of course not.

Ask anyone, should we have to balance the budget? The answer is yes, of course, we should. We hear it every day: I am for a balanced budget. We do not do it. There is no reason to expect that we will unless we change the process. Is the current situation out of control? Of course, it is.

Do the States do it? Of course, they do. I come from a legislature in which the Constitution provides for a balanced budget. We do it. We live with it. It works. And we can deal with it.

So, tomorrow we vote, and I am delighted for that. I think it will be a very important vote. I think it will be a crucial vote. I think it is a vote that helps not only to shape the future in terms of spending but to shape the future in terms of the kind of Government and the extensiveness of Government that we have. If there was one thing that was clear from this November's election, at least the people whom I represent said we have too much Government and it costs too much. We have too much Government and it costs too much. That is what this vote is about, doing something about that.

I yield the floor.

The PRESIDING OFFICER. The Senator from Rhode Island.

Mr. CHAFEE. Mr. President, there is no greater problem facing the country today than our continued failure to balance the Federal budget. Unfortunately, this is not a new phenomenon, as has been pointed out here on the floor by earlier speakers. Over the past 33 years, we have balanced the budget once and that was a quarter of a century ago in 1969. Had the Social Security program not generated a surplus, we would not have balanced the budget in that year either. Furthermore, the forecast put out by the Congressional Budget Office and the administration show that absent dramatic action on our part, these deficits are not going to end any time soon. It is not that we are just on the edge of ending the deficits through normal action, absent this balanced budget amendment.

For example, CBO predicts that the deficit in the year 2005, 10 years from now, could be as high as $421 billion. The President's budget, which was released early this month, forecasts Federal deficits of approximately $200 billion for each of the next 5 years. So in the next 5 years the President himself predicts we are going to have $200 billion of deficits. The Congressional Budget Office says 10 years from now those $200 billion deficits are going to rise to $421 billion a year.

Even worse than this dire prediction of what is going to happen is that the President has taken little action to address this problem. The $81 billion of deficit reduction in the President's plan is really relatively minor when it is realized that this $81 billion of deficit reduction occurs over 5 years, and, $60 billion of those savings come from keeping spending at the current level, not from making any cuts; just from keeping it where it is.

Why is it bad that the Federal Government routinely spends more than it takes in? We are told in soothing tones by the administration that it is very important to note that the deficits for each year in the future are going to be a lower percentage of the gross domestic product. That is somehow meant to be grand news. What the administration tells us is do not worry, that for each of the future years the deficits are going to be a smaller part, an ever decreasing part of the Federal budget each year. Somehow that is meant to be good news, even though the dollar amounts of the deficits constantly grow.

The problem is that every year we run a deficit we have to borrow to fund the shortfall. From the beginning of our country until today, we have incurred a debt—I believe the Senator from Ohio touched on this—we have incurred a debt of about $5 trillion with the overwhelming portion of that accumulated over the past 15 years. The cost of servicing that debt, the gross interest, will total $339 billion in 1995. In 1995, just to pay the gross interest on the debt is $339 billion. This is the second largest expenditure in the Federal budget after Social Security. To put this number in perspective, our gross interest expense for 1994, this $339 billion, is more than the entire budget of the country 20 years ago. Just imagine if we were not spending that $339 billion, what we could do to improve our education, or to spend some of that

money—not all of it but some of it—to help our education, help our health care system, or to bolster our efforts to fight crime.

Aside from diverting resources that could be used for much better purposes, the deficit also puts a tremendous strain on our national economy. The most notable effect of this is on our interest rates. Alan Greenspan, who is Chairman of the Federal Reserve, recently testified before the Finance Committee. This is what he said:

> Investors here and abroad are exacting from issuers of dollar-denominated debt an extra inflation risk premium that reflects not their estimate of the most likely rate of price level increase over the life of the obligation, but the possibility it could prove to be significantly greater.

Let us translate that into English we all can understand. What Mr. Greenspan was talking about was a risk premium. What is a risk premium? A risk premium is the extra amount that anyone who issues debt, anyone who issues a long-term bond, must pay in interest because the buyers of that bond can predict with some measure of surety what the rates will be in the future but they have to add to it a factor, what Mr. Greenspan called the risk premium, because the country is running such large deficits that the fear of inflation is always there; the fear that inflation will come, that the Government will print money in order to get rid of this deficit. Thus this risk premium is added to any issuance—Ford Motor Co. or the U.S. Government—anybody who issues bonds that might last, for example, 20 years. If the buyer of that bond were assured that this country was on a process of balancing its budget, then he would not seek that risk premium and the bonds could be issued at a lower interest rate. Thus these artificially high interest rates affect all Americans. Families pay a risk premium when they borrow money for a home or when they borrow money for a new car or to finance their children's education.

The Federal deficit also has a negative effect on future economic growth. Our potential to expand the economy in the United States is directly linked to the amount we invest in physical and human capital. What are we talking about, physical or human capital? We are talking about new machinery or we are talking about training the work force, bringing its skills up to date. We are talking about providing a foundation for increasing our output of goods and services. With this higher productivity comes a higher standard of living in our country. To achieve this, however, we must have a pool of national savings from which the investment can be made.

Unfortunately, our national savings rate has declined dramatically over the last decade, partly because the Federal Government has engaged in what is known as dissaving. In other words, it is not saving money, it is borrowing money through this deficit spending. The Federal Government's reliance on borrowing to pay its bills crowds out the private sector. The Federal Government comes in, has to borrow money—obviously there is not money left to lend at a low rate to you and me and businesses and others who want to borrow.

The worst consequence of this fiscal irresponsibility is that we are jeopardizing the economic futures of our children and grandchildren. We are living beyond our means and we are passing the bill to these future generations.

Recently I ran across a paper which discussed the idea of generational accounting. What does this mean? It is the process of measuring how Government policies affect the distribution of income and wealth among different generations. To make this comparison, the authors calculated the lifetime net tax rates. My generation—I was born in the 1920's—is facing a net tax rate over our lifetimes of 26 percent. Of everything we earn, 26 percent will go for taxes. For somebody who is born in 1991, the lifetime net tax rate is not 26 percent, it is 34 percent. That is not so bad, you say—34 percent. I can handle that, perhaps.

But according to this analysis, if we do not take action to improve the Federal domestic situation, future generations, generations born, grandchildren born, children born, individuals born, starting in 1995, 1996, 1997 will face lifetime tax rates not of 26 percent, not of 34 percent, but of 70 percent. In other words, future generations can look forward to handing over 70 cents of every dollar earned to the Government if we do not reverse our course.

For the past few years the administration has also included a generational analysis in its budget documents. Unfortunately, the President chose to delete that section from this year's budget. But the figures were similar to the ones I just pointed out. Why will future generations face such a daunting tax bill? Consider the obligations we have levied upon them. The Social Security program has been generating surpluses.

The surpluses will turn. They will no longer start, will end, and pretty soon the program will not be bringing in surpluses. That is in the year 2013. That leaves workers in the middle of the next century with a hefty bill to pay to provide retirement benefits for those who are retiring today. On top of that, we have incurred this $5 trillion in debt, which I mentioned before. That is likely to increase by $750 billion even with the passage of this balanced budget amendment. Obviously, at some point, all of this has to be repaid.

What exactly does the balanced budget do? Very simply, it prohibits Federal outlays from exceeding Federal receipts unless a three-fifths majority of both Houses of Congress approves a specific deficit. In other words, it says that Congress can only spend what it is willing to collect in taxes, unless Congress determines a specific reason for and a legitimate reason for running a deficit. This could happen if there is a recession, if there is a natural disaster. Absent those situations, the country has to run a balanced budget.

This amendment will make fiscal responsibility the norm rather than the exception. As has been said, the Federal Government has run a deficit for 25 straight years. There have been Republican Presidents. There have been Democratic Presidents. There have been Republican Senators. There have been Democratic Senators. Neither body is free from blame. The truth is there has not been the will to make the tough decisions to balance the budget.

I listen to these people say there is no need to have this, that all we have to do is show some courage. But the truth of the matter is, we have not shown that courage. So we have to go to this artificial procedure, and the Senator from Connecticut says it has more words than the first five amendments. So what? What does that prove?

The amendment before us today demands the same fiscal responsibility from the President that it establishes for Congress. The administration has to submit a balanced budget.

I am grateful that the sponsors have not sought to include a three-fifths majority requirement for raising revenue. That was discussed. You have to have 60 votes to increase taxes. That was rejected by the House, and rightfully so. That provision would be disastrous for this country because it would significantly hamper our ability to govern. Facing a deficit, Congress would in all likelihood be forced to cut spending rather than to raise revenue because the latter—to raise revenue—requires 60 votes.

I support spending cuts over tax increases but feel it would be unwise to tilt the playing field against raising revenue. In other words, you need 60 votes to increase taxes but you only need 51 votes to cut spending. I would not support this amendment if it had the three-fifths majority for raising revenue. But fortunately, it is not in there.

The amendment includes a process whereby the requirements can be waived by a simple majority for any year in which the country is in war or when the United States is engaged in a military conflict. I think these are legitimate circumstances.

In section 7 of the amendment, it states that the total receipts, all receipts, of the U.S. Government except those derived from borrowing and total outlays should include outlays for the U.S. Government except those for the repayment of debt principal. What this means is that every dollar that comes in to the Treasury and every dollar that goes out of the Treasury will be counted in determining whether the budget is balanced.

Again, this makes sense. This is the way we run our families. We count the dollars that come in and the dollars

that go out, except for borrowing, obviously.

Much of the efforts to derail this resolution has centered on excluding certain programs from the balanced budget amendment. This all started in the Judiciary Committee when an effort was made to exclude Social Security. I find this inconceivable. Why would we adopt as part of the Constitution an exclusion for Social Security or any other aspect of the Federal budget? I am for protecting the fiscal soundness of the Social Security system. But it is absurd to exempt a program that represents 29 percent of all Federal receipts and 22 percent of all outlays. A big chunk of the budget would be disregarded in all of this process, if that had been adopted. Thank goodness, it was rejected.

Exempting Social Security receipts would provide a perverse incentive for future Congresses to shift Social Security revenues to the general fund. This should be very attractive since the program currently collects more in revenue than it pays out in benefits. But this would undermine the actuarial balance of the Social Security trust fund, and would certainly require draconian changes in the future in order to stave off bankruptcy when the baby boomers retire.

Critics of the balanced budget amendment have argued that it is a sham, that it avoids, as I mentioned previously, the tough choices required to balance the budget. I disagree. What this represents is the first and most important step in a long and difficult journey to fiscal responsibility. It symbolizes the tide has finally changed; we are committed to living within our means, and we are willing to embody that principle in the basic document of the Nation, on which the foundation of all our Government rests; namely, the Constitution.

Other fiscal disciplines we have enacted, while they are important—and I voted for every single one them—have not done the job. The Gramm-Rudman-Hollings deficit control laws, the firewalls, the discretionary spending caps, the pay-as-you-go rules—all of these we have tried. As I say, I voted for every single one of them, and have supported them when they have attempted to be amended. But they failed to break the attractive lure of deficit spending.

Opponents have also argued we should not pass a balanced budget amendment until the supporters of it outline specifically how we reach that goal. This is nonsense, in my judgment. It is like a doctor saying you have to lose 40 pounds. ''I am not going to lose 40 pounds until you tell me specifically how I am going to do it.'' Well, the objective is, if you want to keep your health, you had better lose that 40 pounds. There are a variety of ways you can do it. You can work those out yourself, as long as you get there, to lose the 40 pounds. You can go on a diet. You can eat less. You can go through health plans. You can exercise more. You can try different approaches. But the end result is you have to get there. That is what we have said.

The so-called right-to-know amendment to the resolution before us really is a smokescreen thrown up by those who had no intention of supporting this proposal, whether or not we had outlined the specifics as to how we are going to get there. The fact is, there is no agreement upon the path to reach a balanced budget. The path that I would subscribe to is likely different from the path that others would subscribe to. Any plan will be the product of numerous compromises and the give and take of a normal political process. All that is going to take place once the requirement is established.

To those who do not support the resolution before us, the question is: What would you do? How would you get there? Are you content with the current situation where the annual deficits exceed $200 billion, and in the foreseeable future going up greater than that? Ten years from now, it will be $451 billion, as I said. Do people believe we can put this problem off for another day; that somehow it is going to get easier? Do you believe we are improving our children's future by dropping this massive debt in their laps? Every previous effort to balance the budget without an amendment to the Constitution has been a failure, as I mentioned. Why has that been the case? The answer is simple. Once the targets become too difficult to meet, Congress changes the law or budgets.

This resolution makes it difficult for us to avoid our responsibilities. The task is monumental, but the consequences for our failure are far worse. If this amendment is defeated, the ones who will be hurt the most are future generations of this country.

So for our children's and our grandchildren's sake, and for those of future generations, I fervently hope that this balanced budget amendment is approved here, and approved in the States likewise.

I thank the Chair.

Mr. BURNS addressed the Chair.

The PRESIDING OFFICER. The Senator from Montana.

Mr. BURNS. Mr. President, I rise today in strong support of the balanced budget amendment to the Constitution. I do not think I have seen a time in my life when we have approached a crossroads where the decision could be clearer, especially when we have people all over this country at all levels of government—from the county level, the city level, the State level—reassessing the primary role of government. What is the mission of government? What is the mission of a city government, of a county government, or of the government that most of—and, of course, the legislatures that are in session across our Nation today reassessing the role and what their missions really are? And, yes, we are going through that here in this town, the role of the Federal Government. There will be some who will simplify things and say that the role of the Federal Government is simply to deliver my mail and protect my shores. Other than that, that is about as much as I need out of Washington, DC. But we know it goes a little further than that. Anybody that has any degree of responsibility understands there is more to it than that. Nonetheless, the elections of November 8, as bad as someone would like to admit, did tell us to sit down and rethink just exactly what the role and mission of the Federal Government really are.

I can honestly say that this issue has really been talked about and studied for the last 4 weeks, completely aired on all ramifications of it, and that is the way the Senate is supposed to work. I could not agree more with my friend from West Virginia, who probably has the strongest sense of the duty and the responsibility of this body. I think we on this side of the aisle have approached it the same way. There has been no real serious move to cut off debate, as we want to hear all sides of this story, because we are talking about a subject that has very serious ramifications from this town, to the White House, to the courthouse. But we must take stock, and it is what I believe would put America back onto the road of steady economic growth and stability.

After years of talking about balancing the budget, instead of just tinkering around the edges of the deficit, it is time now to take action. It will impose a discipline on the budget process, and it will impose a discipline on this Congress. Past efforts to balance the budget have just been able just maybe, at times, to put dents in the deficit, but no dent at all in the national debt that keeps climbing. We hear two words being interchanged a lot in our news accounts—debt and deficit. They say, if you cut the deficit, you are cutting the debt. Well, basically you are only cutting the degree to which debt is accumulated. We deficit spend and we create or accumulate debt.

So this will put more than a dent in it, we hope. This measure would actually put some teeth into the efforts to balance the budget. In other words, we might turn the old saying around and say the bite will be worse than the bark. So on this issue the bottom line is one of responsibility—responsibility to every citizen in our country and future generations and to economic prosperity. It is time that Congress lives up to its future obligations and, of course, take responsibility for our actions. We have to ask the American people to help us. This is a crisis. It is as much a crisis to our economic freedom as it is if we were in war and our political freedoms were at stake.

I am being told by the citizens of Montana, yes, we are willing to fight this with you. We cannot do it alone here in this body or in the other body,

the House of Representatives, or in this Government, unless we get support and cooperation from every citizen across this great land. They understand what is at stake. They understand that it takes sacrifice. They understand in their daily dealings with everybody else in the business world, or the paternal world, that they have some obligation to their communities, their churches, their schools, and their friends, and they are willing to go down the road shoulder to shoulder and help us get this done. It is obligations, and not only ours here, but also for every man, woman, and child that lives in this great country. We have been living on the credit card for quite a while. Now is the time to put away those credit cards, get serious about paying off the overdue account, the incessant spending; and borrowing, of course, must cease. The debt of more than $4.7 trillion is going to continue to climb, unless we get America's help—help to keep this Government from this business of spend and borrow, spend and borrow.

There have been a couple of packages that have come up that had tax hikes in them in the last 5 years that I can remember. I voted against each one of those because not only inside that was taxes, new taxes imposed on this country in one way or the other; some called it user fees, and some were called something else. Nonetheless, it was an increase in taxes because there was no cutting on the other side.

I have heard a lot of folks stand on this floor and be critical of the Reagan years when we, yes, cut taxes, but we did not stop our spending. There is enough blame in that to go around for everybody. I was not here then.

So we will break the cycle of continued deficit spending at the risk of our long-term economic security. We cannot and must not ruin our health now for short-term gains. So the reckless spending must come first and be put under control. For as long as I have been here, I have been concerned with spending. It is difficult to challenge the balance of the needs of our country with revenues we do not have without resorting sometimes to more taxes or higher debt. We had an obligation and we had to fulfill that obligation. Now we must find a way to balance obligation with responsibility.

We have heard the arguments here against the balanced budget amendment. The arguments show more than anything else how this is not a gimmick. There are those we have heard say this is a political gimmick and that we are posturing with the American people. But I tell the American people that nothing could be further from the truth. Forty-seven other States, including my State of Montana, already maintain a balanced budget. I was a Yellowstone County commissioner, the largest county in Montana. We were forced to live within that budget. We had a special initiative called 105 that we could not raise property taxes in order to provide the needs and services in a county called I–105.

We dealt with that. We also had, in the middle of the 1980's, a declining tax base. Agricultural land went in the tank. We maintained that. We were forced to balance the budget, so we made some of those very, very, very tough decisions.

And those people who were in charge of the different departments in the county came in and said, ''OK, we can do it with this, if there are promises for later.'' But we could not promise anything later, so we lived within that budget.

I tried to keep my own family on a budget and every time we got off of it, we paid for it. We paid for it every time.

So it is time the Federal Government becomes an institution which has to take care of its checkbook, too. The challenge lies with all of us. The challenge is the spending priorities for our Nation. It will force us to set priorities to see what this mission is all about, this goal or role of Government.

The Federal Government consumes 23 percent of the GDP now. The current projected growth rate of spending at 2 percent a year is a lot faster, 2 percent faster, than our economy. So what do you do? You pull up your belt and the reins at the same time.

If seems funny to me that we are reluctant to set priorities. What is really important to us as a community? Would it surprise you that there are actually organizations that are not Government organizations that are willing to assume the responsibility of taking care of those things that add to the quality of life of our own neighborhoods and much our own communities? Would it surprise you that service clubs and many organizations and our churches and how many fraternal organizations are willing to take on a little bit of responsibility for the quality of life of all the citizens that live in that community? They are not asking the Government for anything. They say, ''Just stand back. Let us take care of ourselves.''

You know, we used to do that. We used to build great homes. We used to build facilities to take care of our own, so to speak. What happened to that? Did Big Brother step in and say, ''We can do it better,'' and so they loosened the ties that we had in our communities?

They worked pretty good for a long time; built a great and free nation. No other nation is as free economically, politically, or even in private rights as this country is. No other country can feed and clothe itself as well as this country can. No other country has a food production and processing and distribution system like this country has.

Government did not build it. Americans built it, because of not only a sense of duty but also a sense of feeding and clothing ourselves in this great society.

So there is plenty of room to cut in the $1.6 trillion budget. I am sure that we can cut out a little waste and look at the priorities that we are going to have to set in order to keep this society on an even keel.

Balancing the budget is going to take some hard decisions, some political, very distasteful decisions, but the reward will be a balanced budget and a more prosperous America. And the real growth of America will start at the grassroots.

It may surprise more of our friends that the new wealth created by any society, the new wealth starts with the soil. It is renewable. It comes every year. And, God willing, it will feed and clothe us forever. As we look at that, then we must get our house in order here.

So I beg my colleagues, I implore them, to pass this balanced budget amendment. There will not be a more important vote that you will cast for responsibility—and, yes, an obligation to the American people—than this vote you will cast this week on the balanced budget amendment.

I want to congratulate my friend from Illinois, PAUL SIMON, who is on the floor, for the work he has done with this. His roots are in southern Illinois, where traditions of communities and families go deep, a great sense and a great tide of the land, middle America, that understands what communities are all about. They know it takes money to provide Government services. They also know it takes responsibility and a little bit of reality to make it work here in America.

This is an important vote. It is an important vote for all of us who call ourselves Americans.

I know that there are those who would make the argument that we are tinkering around with the Constitution. But I think it was even Jefferson who feared the day when we could learn to borrow money against future collections on taxes.

Even George Washington—and the other day, Senator CRAIG THOMAS, of Wyoming, read George Washington's Farewell Address; and I had the great privilege of reading that myself—one of his fears was public debt.

But Jefferson went on to say that this Constitution every now and again needs to reflect the needs of the time, to be changed to deal with the needs or the emergencies of the time. So those who would fear change, I do not think this change is not unwarranted.

A vote ''yes'' on this amendment would do much to restore the accountability and responsibility of this Congress in the eyes of all citizens in this country.

Thank you, Mr. President.

I yield the floor.

Mr. ABRAHAM addressed the Chair.

The PRESIDING OFFICER (Mr. ASHCROFT). The Senator from Michigan.

Mr. ABRAHAM. Thank you, Mr. President.

I rise today, once again, one final time, in strong support of the balanced budget amendment to the Constitution and to urge my colleagues to support this amendment.

Last November the American people sent a clear signal to Washington. They made clear that they are tired of business as usual. They made clear that they no longer will accept, or re-elect, representatives who do not take their responsibilities seriously. They made clear that we must put our financial house in order.

Only when we have re-established order can we again represent the people's interests as we should. Only when we have re-established the discipline necessary to make hard choices can we begin again to recognize what is important and what is not so important.

Only when we begin to balance our own budgets—to sit down and decide how much of the people's money we can afford to spend—will we again have fully earned their trust.

The simple fact is that we are spending more than we should as a government. We are spending the people's money on things the people do not need, or that the people of a free country can more safely and efficiently provide for themselves.

The people demanded a more efficient government this past November. They also demanded a smaller Government. One that is more careful in how it spends their money and more careful not to interfere unduly with their lives.

We have a bloated, inefficient Government because for decades Congress has not felt the need to sit down and decide what it has a right to spend the people's money on, and what we must, as a government, do without.

You see, those who oppose the balance budget amendment, or complain that it will cause too much pain, ignore the pain our current irresponsible deficit spending already causes. Our spiraling debt inflates interest rates, it causes economic dislocation—and higher taxes on the American people. Worse, it leaves our children and grandchildren a legacy of debt.

After all, every year we must pay hundreds of billions of dollars to retire old debt, even as we add new debt. Our current irresponsible spending causes economic pain; pain which will only get worse if we allow it to continue.

This amendment will not suddenly eliminate Federal spending. It will not even suddenly eliminate deficit spending. Until the year 2002 we will continue to spend more than we take in—only at a less horrifying pace. But this amendment will reintroduce discipline to the budgeting process and help us get a grip, once again, on our spending priorities.

It will force those of us in this Chamber to actually sit down and decide what our priorities ought to be. Instead of spending money on everything, we will, for a change, debate which programs we should, and should not, fund at the taxpayers' expense.

The amendment will help reduce the size of Government by severely limiting the option to borrow money. Currently, when faced with demands for more spending, the Congress makes the easy choice to borrow money. Under the balanced budget amendment, Congress will be forced to make the tough choices.

In this way, unless we are in the midst of a crisis severe enough to produce a supermajority in favor of deficit spending, Congress will be forced to control its appetite for spending, or select the even less desirable alternative of raising taxes.

No longer will we be able to borrow against our childrens' future. No longer will we be able to continue increasing the size of Government, oblivious to its costs to our pocketbooks and our liberties. No longer will Government be able to duck responsibility for the way it spends the people's money.

Mr. President, I remember well what the folks in Michigan told me when I was campaigning for the Senate a few months back. From Detroit to the Upper Peninsula, from Grand Rapids to Saginaw, Michiganders all expressed the same confusion about the way Congress does business. They could not understand why Congress could not operate the way they did in their families or the way businesses did in trying to meet a bottom line.

The people did not ask for a fancier bookkeeping method that will make it look as if the budget is balanced when it really is not. They did not ask for a balanced budget except for this or that program. A balanced budget means just that. If you put spending programs off budget you are simply fooling yourself and the American people.

But the people were not asking that we budget exactly as if we were a family. The big difference between Congress and a family is that a family is spending its own money. Congress, on the other hand, is spending money entrusted to it by the people.

If a family decides to buy a home it will go into debt as it invests for the future. But the Government is not a family. Government is the servant of families. It is our duty to spend no more of families' hard-earned money than we need to.

And massive public spending projects all too often are boondoggles rather than good investments for America's families.

In fact, it seems to me we should not even need to debate the need for a balanced budget amendment because over the last 25 years Congress has proved that it is incapable of managing effectively the Nation's pursestrings.

And President Clinton's latest budget makes clear that he has no intention of doing anything to fight the deficit in the years ahead. According to his own budget projections, Federal spending will grow from $1.5 trillion in 1995 to over $1.9 trillion at the turn of the century.

Deficits will remain near $200 billion in every year through the year 2000. That means that between now and the end of the century we will add well over $1 trillion to the deficit.

I think that the choice is clear. Either we continue spending trillions of dollars we do not have, or we get our financial house in order. Either we give up on the idea of getting our spending under control, or we pass a balanced budget amendment. Either we do the job we were sent here to do, or we continue to spend our childrens' and grandchildrens' money and leave them to foot the bill.

Now, some of my colleagues have said that they like the idea of a balanced budget—but they fear one or another horrible unintended consequence of this amendment. From judicial budget writing to Presidential impoundment, some Senators fear there are dangers lurking in this amendment, dangers to our status as an institution and to the Republic itself.

Mr. President, we must not shrink before these phantom dangers. This amendment is a model of clear, concise drafting. It does a single thing, and does it well. It says that Congress now must balance its budgets the same way families and businesses do—by spending no more than it takes in.

I will not restate all the arguments again here. But it is clear to me that this simple, policy-centered amendment will provide the discipline we in this institution need to rethink our priorities and get spending under control—and nothing else.

We should concern ourselves less with phantoms and more with our responsibilities to our Nation and to our families.

Mr. President: My family is important to me. I work in large part so that I can pass on something to them. I hope I can pass on a little wisdom. I want to make sure I pass on some decent habits of hard work and honesty. And I also want to pass on as much economic opportunity and security to them as I can.

Trillions of dollars in debt is not my idea of a good inheritance to leave to my kids. Neither is a government that has gotten out of control, that spends money with little idea of what is important, that has no discipline in its budgeting procedures, that interferes with the daily lives of its citizens simply because to do so is cost-free.

Let Members protect our children from debt and from irresponsible government. Let Members limit government and expand freedom. Let Members pass the balanced budget amendment.

I yield the floor.

Mr. SIMON. Mr. President, I probably agree with the editors in the New York Times 90 percent of the time. Today they have an editorial on ''Unbalanced Amendment,'' which shows an emotional attachment to a position that I

do not think is very rational. I ask unanimous consent that their editorial, be printed in the RECORD at this point.

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

UNBALANCED AMENDMENT

Tomorrow's vote in the Senate on the balanced-budget amendment is crucial for the Republican agenda to chop Government programs into bits. The outcome is also crucial to the nation because the pernicious amendment would do enormous fiscal damage. Proponents are alarmingly within three votes of winning.

The core of the amendment would require the Government to balance its books unless three-fifths of the House and Senate vote to run a deficit. To the wavering Democrats—John Breaux of Louisiana, Sam Nunn of Georgia, Wendell Ford of Kentucky, and Kent Conrad and Byron Dorgan of North Dakota—here are five unassailable reasons to vote no.

Unnecessary.—Federal deficits have indeed been too high. That poses a threat that borrowing will siphon savings away from productive private investments.

But the fact that borrowing must be contained does not imply it ought to be eliminated—any more than family borrowing, to buy a house or pay college tuition, need be eliminated. A prudent rule would keep Federal debt growing less quickly than incomes. This rule would justify deficits of about $200 billion a year, close to current levels.

Misleading.—Proponents claim the amendment would protect future generations against ruinous interest payments. True, today's children will owe taxes when they grow up to pay interest on Federal debt. But proponents ignore the fact that the tax payments will flow right back to these children as owners of Government bonds.

Unenforceable.—Because key terms of the amendment—like outlays and receipts—are undefined, Congress will be able to manipulate and evade. Can Congress create independent agencies or find other ways to spend and borrow off the Government books? A Senate committee has already written into the legislative record, used to guide future court decisions, that the Tennessee Valley Authority would be exempt from the amendment. It should take lawyers five minutes to stretch whatever ''principle'' guides that exception to scores of other Government programs.

The amendment also fails to provide an enforcement mechanism. It might simply become an empty gesture or, worse yet, the courts might step in to tell Congress how much it should tax and where it should spend.

Irrational.—Federal bookkeeping lumps ordinary spending with long-term public investments. Congress, forced by the amendment to cut quickly, would go after hugely expensive, though vitally important, investments, such as scientific research, costly laboratories and equipment, job training or other investments that would not produce benefits for years, if not decades.

Reckless.—When the economy slows, tax revenues fall off and spending on unemployment insurance and food stamps rises. This automatic rise in the deficit, by triggering spending, serves to mitigate the slowdown. But under the proposed amendment, Congress could easily turn a mild downturn into something worse. Unless a three-fifths supermajority saves the day, Congress would have to raise taxes and cut spending in a slow economy—the opposite of responsible stewardship.

Take another unintended consequence. When savings and loans went bankrupt during the 1980's, the Federal Government bailed out depositors with borrowed money, thereby preventing a banking panic. But under the proposed amendment, the Government could not react instantly unless a supermajority in Congress approved.

The balanced-budget amendment appeals to taxpayers who demand that the Government spend their money wisely. But Senators Nunn, Ford, Conrad, Dorgan and Breaux need to recognize that this honorable sentiment cannot be wisely embedded into the Constitution.

Mr. SIMON. Mr. President, I would like to comment on the editorial.

First, they say it is unnecessary. Federal deficits have indeed been too high. That poses a threat that borrowing will siphon savings away from productive private investments.

Clearly, that has happened already. The Federal Reserve Bank of New York said between 1978 and 1988 the deficit cost 5 percent growth in our national income.

But the fact that borrowing must be contained does not imply it ought to be eliminated—any more than family borrowing, to buy a house or pay tuition need be eliminated.

I will get into that because that is stressed later.

A prudent rule would keep Federal debt growing less quickly than incomes. This rule would justify deficits of about $200 billion a year, close to current levels.

That is what the GAO calls stumbling along at the present level. But, in fact, the CBO forecast is that those deficits are going to escalate, and escalate significantly. We have shown we do not have the political will to do anything about it.

That is the simple reality. In 1986, this House, by one vote, failed to pass the balanced budget amendment. Then the debt was $2 trillion. Now it is $4.8 trillion and we are hearing the same arguments again, that we can do this without a balanced budget amendment.

Second, they say the amendment is misleading.

Proponents claim the amendment would protect future generations against ruinous interest payments. True, today's children will owe taxes when they grow up to pay interest on Federal debt. But proponents ignore the fact that the tax payments will flow right back to these children as owners of Government bonds.

I would make three points here. One is, Thomas Jefferson said one generation should no more be willing to accept the debts of a previous generation than the debts of another country. Thomas Jefferson was right. Second, this argument that this interest just flows back into our own hands ignores the reality that we have somewhere between $650 and $800 billion owned by other countries, people in other countries. In fact, foreign aid to the wealthy of other countries is at least double the foreign economic assistance we give to poor people. And that foreign economic assistance to the wealthy is through our indebtedness. Third, this editorial ignores the redistribution effect of the interest.

Who pays the interest in our country? By and large, people of limited means. Who collects the interest? Those who have enough means to own the T-bills. That is not the average citizen.

That is redistributing money to those who are more fortunate. It is interesting, of the $339 billion we are estimated to pay for interest this year, that is roughly twice what we will spend on our poverty programs, 11 times what we will spend on education, and 22 times what we spend on foreign economic assistance.

Then they say it is unenforceable. If it were unenforceable, my good friend—and he is my friend—Senator BYRD, would not be fighting this amendment like he is. Of course, it is enforceable. They say the amendment fails to provide an enforcement mechanism. When you require a three-fifths vote for the increase of the debt, you have a very powerful enforcement mechanism.

They say it is irrational, Federal bookkeeping lumping ordinary spending with long-term public investments, a point they made earlier. The reality is, while a family has to borrow for a home or a college education, the Federal Government does not, and frankly, even a State the size of Illinois does not have to. I served in the State legislature for 14 years and served 4 years as Lieutenant Governor. A State the size of Missouri—and I do not mean this disrespectfully of the State of the Presiding Officer—is in a little different situation than a large State. But in the State of Illinois, frankly, we do not need to do it and the Federal Government does not need to do it.

It is interesting that the long-term investment has gone down as the deficit has gone up. In fact, the argument is just the reverse, and I would point out also—and I mentioned this on the floor several times, and the Presiding Officer has heard me mention this, I am sure—when President Eisenhower, to his great credit, proposed the Interstate Highway System, the largest single capital project in the history of humanity, he suggested issuing bonds. Senator Albert Gore, Sr., the father of our present Vice President said, ''Let's not issue bonds. Let's increase the gasoline tax and do it on a pay-as-you-go basis.'' Fortunately, he prevailed.

As of a year and a half ago, the estimate was we had saved $750 billion in interest.

Then they say it is reckless; when the economy slows, tax revenues fall off and spending on unemployment insurance and food stamps rise. This automatic rise in the deficit by triggering spending serves to mitigate the slowdown. Study after study, including the unanimous report of the Joint Economic Committee of Congress, then chaired by Senator Lloyd Bentsen, said we respond too slowly in emergencies. And because of the deficit, we have simply been unable to respond.

When President Clinton suggested that we spend $15 billion on a jobs program to stimulate the economy, and $15 billion is not much in a $6 trillion economy, we were not able to get $15 billion passed. I voted for it, but we could not do it.

Former Assistant Secretary of the Treasury Fred Bergsten, who served under Jimmy Carter, said that if we would plan for a 2-percent surplus and then we could have a triggering mechanism so the President could respond when unemployment passed a certain level in any region, then we could respond quickly. We can respond just as quickly and more quickly with a constitutional amendment.

Finally, let me make three other points. One is the New York Times editorials have consistently ignored economic history, and I have to say the Washington Post editorials have done the same. They just act as though we are dealing by ourselves with an absolutely new initiative and no other nation has ever gone through this debt before.

The reality of the history of nations is that they pile up debts and pile up debts and then they become so bad they start monetizing the debt; they start printing money. And we are headed to do the same thing. Nations have done that historically when they get around 9, 10, 11 percent, except in a wartime situation where there is a freeze on private and public spending.

We are heading, according to CBO, to 18 percent. We can take a chance that we will be the first Nation in history to be able to do that without monetizing the debt. But what a chance for the future of these pages and my children and my grandchildren. We should not be doing it.

Second, it ignores the reality that the General Accounting Office and CBO and Data Resources, Inc. and everyone says if we balance the budget, we will improve the standard of living of our country. GAO says balance the budget and in two decades you will have an increase in the standard of living of approximately 36 percent. That type of economic information is totally ignored by this New York Times editorial.

And finally, not so much in this editorial but in others, and all the horror stories that have been spread around here about what is going to happen to social spending, what is going to happen to this or what is going to happen to that, how do we get there? There are two options.

One is if you do not make any changes in Social Security and if interest rates do not go down, and every projection is that they will go down but you would have some savings on interest because you would not have as much of a large deficit, we would have to limit non-Social-Security spending growth to 1.7 percent between now and the year 2002. That is doable.

Let me put it another way. Revenue in the year 2002 will be approximately $300 billion greater than what we will spend this year. What we have to do between now and the year 2002 is to control the growth of spending so it does not exceed that amount. That is doable.

Is it going to cause a little pain? Of course, it will. If there were not pain, why, we could pass a balanced budget; we would have done it a long time ago. We need the discipline of something to force us to do the right thing. So my hope is that tomorrow we will do the right thing. This is my 21st year in Congress. This is the most important vote I will have cast in those 21 years. We are talking about the future of our country.

We make a lot of short-term decisions because of one thing or another, and I am as guilty of that as anyone. Here is one where we ought to ask ourselves not which party is going to benefit, not what it is going to do to each of us politically—and I realize it is easy for me since I am not going to be running for reelection—we ought to be asking what is going to happen to the future of our country. I think if we ask that question and dig, the answer is fairly obvious.

Mr. GLENN addressed the Chair.

The PRESIDING OFFICER. The Senator from Ohio.

Mr. GLENN. Mr. President, the real question here has been brought out repeatedly in this debate. What we have heard over and over and over again is that we need the balanced budget amendment because we need something to force us to act responsibly; we need something to give us political courage; we need something that says, ''I am going to put a gun to my head and I'm going to say I'll shoot if you don't prevent me from spending again.''

We need the discipline. We have heard that word over and over. And we have heard repeatedly, both here and over in the House, the term ''political will.'' They say this forces us to have the ''political will.''

Well, Mr. President, I do not believe that anyone worthy of being a U.S. Senator needs such legislation to gain political will—if they are doing their job properly. We are capable of spelling out just what steps we need to take, and our knees will not buckle when we know the truth, as was stated by one of the Members of the House. How do I know that? Because just 2 short years ago, the Congress voted for the largest deficit reduction package in history. Why so many people refuse to remember that, I do not know.

With passage of that single bill, the budget deficit was cut by over $500 billion. And, I must add, we had to do it without a single Republican vote in either the House or the Senate. In fact, the Vice President had to break the tie in the Senate.

President Clinton said 2 years ago, in both public and private conversations, that the most important thing is health of the economy.

His campaign commitment on deficit reduction was not just election year rhetoric. In the first year of his Presidency, he presented a clear agenda for deficit reduction. He offered us real specifics, not a lot of rhetoric but real specifics—a program that combined both spending cuts and new taxes. He had the guts to do that.

Mr. President, how did we do that? The President made his proposals. The Democratic Congress responded, and said OK, we will take on your deficit reduction agenda. We know it is going to mean tough votes, but we are going to do this.

So it came up here to the Hill, and we farmed it out to various committees, and the committees were given assignments, so much of a cut per committee. And those were tough cuts and tough votes—tough, tough votes. And they were brought back here to the floor where we voted them out of the Senate. They went to conference with the House, and the conference package came back. And we voted it out—a tough vote as reflected by the fact some Members of the Senate were probably not reelected because of their vote on this package.

I do not know why—with the deficit reduction record we've achieved over the past couple of years—the Republicans do not do the same thing right now. Instead of talking about grand ideals—be specific. Do not say trust us and we will tell you later how we are going to do this. That is not how we did it during that reconciliation vote in August 1993, less than 2 years ago. We stood up and made the hard choices at that time, and that is what we should do in dealing with the deficit. That was a tough package in the Senate and in the House. In fact, it came up to a 50–50 tie, one of the more dramatic moments in recent years in the Senate, and the Vice President had to break the tie during the vote in the Senate.

Now, that bill became law despite the lack of bipartisan support, and we are now seeing our third year of declining deficits. Why do people ignore that? When that bill was passed, our deficits were going up and they were estimated to be close to $300 billion a year. The next year they went down to $250 billion. They are estimated to be around $190 billion a year now. But the proponents of this bill make a lot out of the fact that the President said, well, we are going to have deficits of $200 billion a year from here out into the near future.

I do not like that either, but I can tell you what we ought to be concentrating on. Instead of a balanced budget amendment with all of its disadvantages, we should be concentrating on how to continue this trend of deficit reduction. For the first time since Harry Truman, we have seen consecutive years of deficit reduction.

The President deserves a lot of credit for that, and the Democratic Congress deserves a lot of credit for that because we are the ones who put it through. I

think we should be taking great pride in that.

We do not need a balanced budget amendment to give us guts. Political courage should not stop at the middle aisle in this Chamber. It should be all across this Chamber. We demonstrated less than 2 years ago that that is the way to cut the deficit; not by some legislation that is supposed to instill a false sense of courage or a political will that we would lack otherwise. This new sense of courage is supposed to come from the fact that we will blame hard choices on the balanced budget amendment.

We do not have to say that we lack responsibility or political will. We can do it. We know we can do it because the Democrats in this Senate did it before. And we can be very, very proud of that.

Mr. President, when we have asked for specifics during this lengthy debate on whether taxes would be raised or on what would be cut, we have been stonewalled on the other side and amendment after amendment after amendment has been voted down to show that they mean business over there. They are not going to tell us how we will go about cutting programs or what will be threatened. They just want the balanced budget amendment to hide behind.

Now, what if I would say to those watching at home, your Social Security is going to be cut.

Oh, no, no, no, the proponents of the amendment say, we plan to take that off the table. That is going to be off budget.

Well, if that is the case, then your Medicare is going to be cut. Oh, no, no, no, they say, that is not going to be cut. We are going to leave that off budget over here some place. Well, we know that national defense needs to be continued. It is not going to be cut substantially. In fact, the proposal is to increase national defense just a little bit, and I go along with that.

Now, if you take Social Security, you take Medicare, and you take defense off, what does that result in? I can tell you, if you are going to put a balanced budget amendment in, it means that every other function in the budget has to be cut by well over 30 percent—every other function: AIDS research, cancer research, you name it.

Oh, well, we would not cut those. That means something else then is going to get cut double so you can keep up with AIDS research and cancer research and the other programs we would like to keep.

Now, what if we included a couple of the other things I think would probably not be voted out here. Take tax cuts. Those are going to be put in. Take veterans programs, veterans retirement off, civilian retirement for civil service people who have retired. If you just add those things to it, do you know what we come up with?

We come up with the fact that every other function in the Federal Government would have to be cut by over 50 percent—every other function of Government—including health and safety matters—every other function of Government. And yet we are supposed to vote for this and say we are going to put a gun to our heads and say we are going to force ourselves into this straitjacket so we will have this balanced budget amendment to hide behind when we start cutting such programs.

Mr. President, I disagree with this approach. We need to be honest. If certain programs are going to be on the table, the American people need to know they will not be sacrosanct.

But some people who say we would not dare cut Social Security would—these same Senators—would not vote to exempt Social Security from the balanced budget amendment here on the Senate floor just last week. They would not vote to set Social Security aside. No, it is still on the table. So believe me, whether they like to say so or not, your Social Security benefits are in danger because everything is still in play. Everything is still in play. And to the States that are so concerned about unfunded mandates out there, wait until you look at that billions of dollars you are receiving every year for environmental concerns—just for environmental concerns such as clean air and clean water.

What happens to that? You can bet that is going to get cut back, and so all the Governors who have been here so concerned about this—and some of them supporting a balanced budget amendment—better look to what is going to happen to their Federal funding once something like this goes through.

Mr. President, I believe we have had a good debate here in the Senate on the balanced budget amendment. We did not push it through for the sake of press releases and false deadlines. We did not set ourselves so many days and say we have to do this or else, because we take amendments to the Constitution very seriously in the Senate—very, very seriously indeed.

I believe that the debate in the Senate has served to unearth some other very serious flaws with the balanced budget amendment. I wish to spell out what some of these other problems are besides the ones I have already mentioned—and to explain why I believe they make this balanced budget amendment unacceptable.

Mr. President, as I stated earlier, the first step should have been to map out a plan to reach a balanced budget. That is why I supported the so-called right-to-know-amendment offered by the distinguished Democratic leader, Senator DASCHLE. We are now hearing there will be plans announced at a later date to balance the budget by the year 2002.

Mr. President, when I talk to people back home in Ohio and when I visit back home in Ohio, people throughout Ohio feel they have a right to know up front how their lives are going to be affected, how their Social Security will be affected, how their Medicare will be affected, how their retirement will be affected, how their children will be affected. They want to know up front how we intend to achieve a balanced budget.

Mr. President, while we debate the balanced budget amendment, we are seeing more headlines about tax cuts than about deficit reduction. Many of the proponents of the amendment, who should be laying out deficit-reduction proposals, are busy preparing tax-cut plans. Does that sound familiar? It reminds me of the very strategy that added more than $3.5 trillion to our national debt. Then, like today, there was a lot of talk about balancing the budget but almost no talk about how to get there. Instead we had feel-good budget plans. Cut taxes, smile, be happy—it is morning in America.

What did we do back then? We cut taxes by one-fourth over a 3-year period of time, 5 percent the first year, 10 percent for each of the next 2 years. That was supposed to result in such economic growth we would not wind up losing money, we would wind up earning more in revenue because of the increased economic activity.

It just did not work. That is what gave us the additional $3.8 trillion in debt that occurred over the 12 years before the Clinton administration. I take some Democratic responsibility for some of that, and for this reason. Back during the Jimmy Carter years when he was President, remember, we had 21-percent interest rates and 17-percent inflation rates for a while. Everybody was scared. I was, too. I was afraid what money I had was in jeopardy during a situation like that. I think that lack of control of the national economy is one of the things that led to the election of President Ronald Reagan. Then he came in and made his big proposals for supply-side economics, and those went into effect, and we have seen the budget deficit going up—not only the budget deficit but the national debt going up ever since.

If we do everything the proponents say they want to do, take defense, Social Security, and Medicare off the table, we are faced with a prospect, as I said earlier, of more than 30-percent cuts. Everything else in the Federal budget would have to have about by more than 30 percent cut.

And as I've said, we are not entirely sure if that will be the case because the same proponents of the amendment who say they feel Social Security should be off the table, voted against an amendment to exempt Social Security from the balanced budget amendment. They say the same about veterans benefits. They say they will not cut veterans programs. But then they turn around and vote down an amendment to exempt veterans programs. So nobody is exactly sure where they stand with this amendment. It is all speculation because no one is being told what will be cut, whether taxes

will be raised or anything else, for that matter.

I submit that my constituents in Ohio are the taxpayers and they have a right to know in advance what the impact is going to be on their lives if we put the balanced budget amendment into effect. We can spell out for the American people how we will reduce the budget. We do not need a balanced budget amendment. We on the Democratic side did that in the summer of 1993. President Clinton made his proposals that led to deficit reduction of more than. We did it, and we did it without a single Republican vote from the other side of the aisle.

So this idea that we do not have political courage, we do not have guts enough to make some of these hard decisions, fall on deaf ears, as far as I am concerned. We did it and we can do it again. What I would like to see, instead of these $200 billion deficits continuing as projected, is for us to come up with real proposals for continued reductions. What we should be doing instead of debating a balanced budget amendment, is try to decide how we will keep that reduction going.

I want to see us achieve a balanced budget by the year 2002. I think we should start moving in that direction immediately—start working on it right now. I intend to support an amendment offered by my distinguished colleague from Arkansas, Senator BUMPERS, which will require that our congressional budget resolutions from here on map out specifically how to reach a balanced budget by the year 2000.

Do we have courage enough to do that? I hope we do. Real political courage is a true alternative to the balanced budget amendment. The problem with the balanced budget amendment is that it brings with it so many unintended consequences. First, it threatens the separation of powers, so carefully laid out in the Constitution. According to former solicitor and Federal Judge Robert Bork, the balanced budget amendment, and I quote him, ''Would likely result in hundreds if not thousands of lawsuits around the country, many of them on inconsistent theories, and providing inconsistent results.''

In fact, the judicial consequences of the proposed amendment have brought together an unexpected alliance of legal scholars who oppose the amendment. Conservatives such as Bork and Robert Fried and liberals such as Archibald Cox and Laurence Tribe all think it is a serious mistake.

I fear activist Federal judges, trying to enforce the balanced budget amendment, would place themselves in the role of elected officials. These judges, appointed for life and insulated from the people, could usurp the power to tax and spend from elected officials. I believe our Founding Fathers, who fought a revolution against taxation without representation, would be shocked at that potential prospect. If the judiciary had a case before them and said, OK the Congress has not balanced this budget as the Constitution requires, what shall we do? Would they then say we will just cut certain programs? Or will they say one of the options is to tax? They might give the remedy. No one says they cannot do that. How do we deal with that? Some say the Missouri versus Jenkins precedent which opened up such a possibility should not be read in this way. Some state the courts have grown less activist and less likely to enter this sphere.

I remind my colleagues, the Constitution will last throughout future generations of Americans. The judiciary of the future may or may not be activist, and it will be interpreting evolving precedents that we cannot predict. That is why I have and will continue to support amendments to the balanced budget amendment to add predictability to the area of judicial review and ensure the balanced budget amendment will not simply become a full employment act for lawyers.

I am also deeply concerned about the impact of the amendment during tough economic times. There has been a great deal of discussion on the floor about this topic by other Senators. In times of economic downturn, our economy would be placed on autopilot. The economic downturn would cause an unpredictable hemorrhage of revenues. Tax increases and massive spending cuts would be forced just at the time when a fragile economy could not sustain them. We could not do the countercyclical spending that has held us out of more depressions since those days of the Great Depression. And that is just what turned a recession into the Great Depression in the 1930's, that lack of ability to make countercyclical spending.

The supermajority requirements of the amendment would have a minority of legislators, deciding the fate of all Americans during these times. This same minority would be deciding the fate of Ohioans—or people anyplace else in the country, for that matter—who are hit by natural disasters. Over the years, tornadoes and floods have ravaged different parts of the country, as well as my own State of Ohio. The Federal Government always came to our aid. With this amendment in place, legislators who have never been to Ohio nor visited other areas impacted by disasters, would suddenly have veto power over Government compassion. Tough luck, you are on your own.

That is why I support an amendment offered by my friend from California, Senator BOXER, to provide flexibility in cases of natural disaster.

Another area of very great concern to me also is that of national defense.

The amendment has a military conflict waiver which is extremely important but it certainly does not go far enough. What happens if America faces a military threat, not a conflict? Will we be able to gear our forces up in time? If you look back over our military history at military spending, we have operated since the days of the Spanish-American War on basically a 17-year cycle. It is really striking to look at the figures. Almost on an exact 17-year cycle we have seen buildup of 7 years, followed by a 10-year reduction in the military: 7-year buildup, then a 10-year builddown. Military spending follows that persistent trend almost exactly—except for World War II, where the peak was displaced by about 4 years. But every 17 years, we seem to decide the world is safe and that we can cut back on our military budget. Then something always happens which makes us reconsider, and we begin building up again to prepare for whatever the new threat is; threats that we could not foresee, threats that we could not define when we made the cuts to begin with.

Military preparedness is not something that just happens overnight when we suddenly see a new threat. Congress is charged in the Constitution with the awesome responsibility of providing for the common defense of all of our people. Yet today, we are debating an amendment to the Constitution which I fear may not allow Congress to live up to that responsibility. There are trouble spots throughout the world that could erupt at any time.

What will our adversaries think if they know we have no ability to rise to the occasion? What about our allies? I know that many here in Congress signed the Contract With America. But we all took an oath to support and defend the Constitution of the United States. That certainly takes precedent over the Contract With America.

Mr. President, I want us to achieve a balanced budget. We took an important step toward a balanced budget 2 years ago. We need to take the same sort of action in this Congress. I simply do not believe that this balanced budget amendment, as it currently is crafted, is a wise course to follow. We have had 3 consecutive years of deficit reduction. It went from about $300 billion, down to a little under $250 billion, down to about $190 billion right now. What we need to do is plan to continue that, not just going out with $200 billion into the indefinite future, as the President's budget has proposed.

Mr. President, I come back again to where I started my remarks; that is, to ask: Why do we need this amendment to our Constitution? We are told by the other side that we need it for political courage, we need it for political will, we need it for discipline. We demonstrated political courage, political will, and discipline less than 2 years ago in this very Chamber when we voted a $500 billion budget deficit reduction package. That was a tough package. Putting it together involved many tough votes. We did it upfront in a responsible manner. We were honest. People knew exactly what we were voting on. We were accountable to the people we represent. We went home and explained why we voted the way we

did. We did not hide behind some balanced budget amendment that gives cover for those hard votes.

I think the way to go is to repeat what we did less than 2 years ago on this floor, and lay out a plan of how we will continue the deficit reduction program that President Clinton first presented, and we enacted into law. It has been effective; it has worked.

Mr. President, I yield the floor.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from North Carolina.

Mr. HELMS. I thank the Chair.

It's is no exaggeration to suggest Mr. President, the Senate is about to make one of the most momentous decisions in the history of the Nation—on the question of whether to add a balanced budget amendment to the Constitution.

On the eve of this significant vote, it is instructive to consider the counsel of our Founding Fathers on this matter. Thomas Jefferson said in 1816 that ''To preserve our independence, we must not let our rulers load us with perpetual debt. We must make our election between economy and liberty, or profusion and servitude.''

Mr. Jefferson thereby laid out the choice before the Senate—liberty or servitude. Congress, having become enslaved to deficit spending, has refused for decades to stop the practice of spending money it does not have.

How enormous is the Federal debt? For nearly 3 years, Mr. President, I have made a daily report to the Senate regarding the Federal debt—down to the penny as of the close of business the preceding day. As of close of business this past Friday, February 24, the debt stood at $4,838,340,250,340.71. On a per capita basis, every man, woman, and child in America owes $18,366.42.

The taxpayers had to fork over $203 billion in 1994 just to pay the interest on this massive debt, and that, on a per capita basis, amounts to $1,138.76 for every American man, woman, and child.

One looks back in time to see where we stood.

Mr. President, when I was sworn in as a Senator in January 1973, I was distressed that long ago, that Congress had been spending far more than it took in—year after year. Deficit spending had become a way of legislative life.

So on July 19, 1973, I offered S. 2215, a bill to require a balanced budget. It was cosponsored by the then distinguished Senator Harry F. Byrd. On that day, July 19, 1973—if you can believe this—the Federal debt stood at a relatively small figure of $455,570,163,323.85. Today, 22 years later, the Federal debt has skyrocketed to $4.3 trillion. The historical tables of the 1996 budget reveal that the interest on the money borrowed by Congress since 1973, cost the taxpayers $3,209,417,000,000.

Imagine if Congress had passed a balanced budget amendment in 1973 as proposed by Senator Harry F. Byrd and me, the American taxpayers could have been saved more than $3.2 trillion in interest alone.

The American people have difficulty comprehending the enormity of a trillion dollars. I went into the cloakroom the other day, and several Senators were sitting around. I said, ''How many million are in a trillion?'' One said ''100,000.'' Another one said, ''I do not know.'' And a third one said, ''Don't give us that. What is it?''

I said, ''There are 1 million millions in a trillion.'' Bear in mind that the U.S. Government—meaning the taxpayers of this country—owes $4.8 trillion. That dead cat lies at the doorstep of the U.S. Senate and the House of Representatives. We cannot get around it. No President can spend a dime that is not first authorized and appropriated by the Congress of the United States.

If I may return for a moment to one of my American heroes, Mr. Jefferson, he also said that ''The question whether one generation has the right to bind another by the deficit it imposes is a question of such consequence as to place it among the fundamental principles of government. We should consider ourselves unauthorized to saddle posterity with our debts, and morally bound to pay them ourselves.''

Amen, Thomas Jefferson.

That just about tells it all, certainly in terms of the moral injustice that we have been heaping upon our children and their children and their children. Nobody suggests that balancing the budget will be easy. It will be tough. It really boils down to a matter of doing what we were elected to do, and that is leveling with the people of this country.

I can debate for hours the contention that accepting a balanced budget amendment is not constitutional. However, statements like that do not make sense. I do not denigrate anybody who uses their best argument to try to defeat something that I happen to believe in.

There was another eloquent President, by the way, who spoke one time of a rendezvous with destiny. What destiny will the U.S. Senate choose tomorrow? What legacy will we vote tomorrow for generations yet to come?

Mr. President, I ask unanimous consent that the text of S. 2215, the balanced budget bill offered by the then Senator Harry Byrd, Jr., and myself, on July 1973 be printed in the RECORD.

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

S. 2215

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 ''Emergency Anti-Inflation Act of 1973''.

FINDINGS AND PURPOSE

SECTION 1. (a) The Congress of the United States hereby determines that—

(1) the Federal Government is now and has been expending funds during the fiscal yer for nontrust fund budget items in excess of revenues received from all nontrust sources,

(2) such fiscal policy by the Federal Government has resulted in substantial borrowing from both public and private sources,

(3) the aggregate of such borrowing has resulted in an exorbitant national debt totaling more than $450,000,000,000,

(4) this debt will continue to increase so long as the Federal Government spends more than it receives,

(5) the Federal Government is now paying annual interest on the national debt in excess of $20,000,000,000, and

(6) this interest payment is annually increasing as a fixed expenditure in the Federal budget.

(b) The Congress further determines that—

(1) deficit spending by the Federal Government has resulted in inflation in the Nation's economy and a lessening in the value of the dollar in terms of its ability to purchase goods and services in foreign and domestic markets,

(2) unless this deficit spending on the part of the Federal Government is discontinued a severe economic depression will result.

(c) The purpose of this Act is to require the President to submit to the Congress a budget in which nontrust fund expenditures do not exceed revenues received by the Government from nontrust sources.

SEC. 2. The nontrust fund expenditures of the Government of the United States during each fiscal year shall not exceed its revenues from all nontrust sources for such year.

SEC. 3. (a) The President shall submit a budget pursuant to the Budget and Accounting Act of 1921, as amended, in which nontrust fund expenditures do not exceed nontrust fund revenues for each fiscal year.

(b) The provisions of this section may be adjusted to reflect any additional revenues of the Government received during a fiscal year resulting from tax legislation enacted after the submission of the budget for such fiscal year.

SEC. 4. This Act shall apply only in respect of fiscal years beginning after June 30, 1974.

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

Mr. DORGAN addressed the Chair.

The PRESIDING OFFICER (Mr. FRIST). The Senator from North Dakota.

Mr. DORGAN. Mr. President, it is not usual to hear the Senator from North Carolina quote Franklin Delano Roosevelt, but I appreciated listening to his presentation and, as always, his presentation is interesting and heartfelt.

The issue that we debate today in the Congress is not an ordinary issue or one of passing interest. It is about changing the U.S. Constitution. I know there are some people who serve in this body who support a menu of changes to the Constitution. You name it, they support it. The Senator from Arkansas said the other day—and I have not counted them—there has been nearly one proposal to change the Constitution every day that we have been in session since the first of the year, and 11,000 proposals have been offered to change the Constitution since the Constitution was written.

I have described on this floor before a day in my life that I shall always remember. I was one of 55 persons to go

back to an assembly room in Constitution Hall and celebrate the 200th birthday of the writing of the Constitution. Two-hundred years previous, fifty-five white, largely overweight men, sat in that room in Philadelphia. We know that because we know who was there. We know the stories about how they had to keep the shades drawn during that hot Philadelphia summer in that room, because it got very warm while they were trying to craft a Constitution. There were some of the most brilliant minds in the history of this country convening there. Absent, of course, was Thomas Jefferson, who was in Europe at the time. But he contributed nonetheless substantially to the Bill of Rights and especially to the writing of the first amendment's free speech clause.

As I said, there are some who seem to want to support virtually every proposed change to the Constitution, like human weather vanes spinning in the winds of the public passion of the moment. Others are opposed to changing the Constitution under any case, ever. The Founding Fathers who wrote the Constitution actually provided for a process to make changes to it. Still, they made it very difficult, and changes have been made only on very rare occasions. We are trying to decide today and tomorrow whether this should be one of those occasions.

I am not someone who believes that we should reject change in every circumstance. But I am, I suppose, a conservative, if you can forgive the use of the word in this Chamber, because it is confusing to try to understand these days who conservatives and liberals really are. I am conservative when it comes to changing the Constitution. I believe it ought to be done only on rare occasions and only in circumstances of extraordinary need. Harold Wilson once talked about the only human institution which rejects progress or change is the cemetery. Change is a part of our lives. Yes, indeed, even change in the Constitution may be part of our lives when it is necessary.

Each of us, as other speakers have indicated, takes an oath when we come to the Senate to serve, and that oath is to uphold the Constitution. I do not think anyone takes that oath lightly. All of us understand the circumstances and the meaning of that oath. All of us understand, as well, that it is not just public passion that should persuade this body or the House to decide to change the Constitution. Our system of Government, I think, has worked for over 200 years because people have had faith in this system.

When I sat there in that room, 200 years after the writing of the Constitution, 55 of us went back in to recreate the event on its 200th birthday. As I indicated, it was written by 55 white men. So 55 of us—men, women, and minorities—went back into that room, and in a very solemn ceremony, celebrated the 200th anniversary of the writing of this wonderful document. I grew up in a small town, went to a small school and studied George Washington, and here I was in this chamber where George Washington's chair was at the front of the room—the very chair he sat in while presiding over the Constitutional Convention; it was still in the front of this room. Franklin sat over there, and Madison, Mason. It was a wonderful experience to sit in that room. It kind of gave you goose bumps to understand the history that was created there—the crafting of a document called the Constitution, which has represented the framework of self-government in the most successful way in recorded human history. There is no record of a society that has practiced self-government as successfully as has this country.

So I think now about sitting in that room and I think about the people who must have sat there 200 years ago as they tried to understand what kind of a framework would work. What kind of fabric would reach over a couple of centuries and more—maybe a couple of more centuries—and allow for our system of government to work? And one must admit that even with 11,000 different proposals to change the Constitution, those who wrote it originally did a masterful job. It is an extraordinary document in the history of civilization.

As I have said, it works because in people's minds and hearts there represents an acceptance that self-government is something they agree with and believe in and think represents the best hope for this country to make progress. We are now, as all of us understand, facing a difficult set of circumstances in our country. We face, I think, a debt crisis of sorts. It is a debt crisis with respect to fiscal policy—that is, the Government spends more money than it takes in, and a debt crisis, additionally, in our trade policy. This year was the largest trade deficit in the history of this country, or any country, for that matter.

How did we come to that point and what causes all of this? It is interesting if you listen to some of the political dialog. And this is done deliberately, and I understand that. It is, gee, you know something, the Members of Congress come to take their seat in the U.S. Senate Chamber and the first thing they want to do is cast another vote to spend more money. But all of us understand what happens. The reason we spend more money this year than last year is that there is an automatic pilot on entitlements, and this year we will spend much, much more on health care than last year.

Why? For two reasons.

In Medicaid, more people are poorer and the health costs are going up. In Medicare, more people are reaching Medicare age, more people are triggering that eligibility, and health care costs are going up. Therefore, we spent a lot more on health care this year than we did last year because health care costs in many cases have been running double and triple the rate of inflation and there is never a vote on that, just to use health care as an example. That is on automatic pilot and it increases and increases and increases.

And so the point of it is, it is not a case where there are 100 people voting to say, ''Yes, let's increase that.'' It is an entitlement program that is now latched to inflation and whose costs move up every single year.

Revenue does not do the same. In fact, the income tax system and the personal exemption, for example, is indexed exactly the other way. As inflation increases, you then increase the personal exemption, so there is not an automatic increase in revenue. So you have an automatic increase in the cost of entitlements because of inflation because they are hooked to it and accelerate, and the revenue system is hooked just the opposite way so that it will not increase automatically. And we have created then this mismatch in policy and it just cannot exist; it cannot continue to exist.

I think all of us in this Chamber understand we have a circumstance in this country where we routinely have higher expenditures than we have revenue. And what happens to the difference? Well, we simply charge it. We issue more bonds and the children then are faced with more and more debt.

The deficit at this point is roughly $180 billion. But that is not the honest deficit. The honest deficit at this point would be the $180 billion, plus the $70 billion in Social Security surplus this year. That is used to reduce the $250 billion back to $180 billion. The real deficit is about $250 billion.

That is the way the accounting system works, unfortunately. It should not work that way. We need to try to address that.

We have a Social Security system that is now raising more money than it expends. The reason we have that is because Congress decided in 1983 that we were going to face a crisis in Social Security at some point and we had to start saving for it.

In 1983, I was serving on the House Ways and Means Committee. We had to write the Social Security reform bill. A lot of people do not understand the magnitude of that bill. It increased FICA taxes for both the employee and the employer. Certainly, all of them understand that. It even stretched out the retirement age from 65 to 67. I bet a lot of people do not know that is in the law. But it begins after the turn of the century. It is phased in very gradually.

But this Social Security reform package made a lot of changes. One intent of that package was to try to require a savings each year in order to meet the need when the baby boomers retired after the turn of the century, when the largest baby crop in American history hits retirement. Then we have serious financial problems with Social Security.

So the approach to reform that and respond to it was to say, ''Let us have each year a forced savings in the Social Security system.'' And this year, incidentally, it is about $69 billion. We will take in $69 billion more in the Social Security system in revenue than we will spend out. Therefore, the surplus this one year will be nearly $70 billion.

Why are we doing that? Again, to save it for after the turn of the century when we are going to need it.

Now, is it being saved? No; I mean, technically there is a bond that goes in the trust fund but, as all of us understand, the money is still used and it is customarily referred to as a pool of money that reduces what we call the Federal deficit. The Social Security revenues are used as an offset to reduce the operating budget deficit of the Federal Government.

And the fact is that we cannot continue to do that. That breaks the promise with the workers. It breaks the promise with the senior citizens. Either we are going to save the money or we are not going to save the money. But let us not have a charade in which we say we are going to tax you to raise more money than we need to spend at this point and we promise to save it, but we really will not because it will be used to offset spending.

Well, I think that there is general agreement by Members in this Chamber that we have a debt crisis, a real problem. And what do we do about it?

We just heard the speaker before the last, Senator GLENN from Ohio. He accurately portrayed 2 years ago, when we had a very significant budget debate and we were asked to vote on a budget bill that cut the deficit over 5 years by $500 billion, we had to find all the votes for it on this side of the aisle. Not even one vote—one would expect somebody would vote wrong accidentally from time to time; you know, just not quite understand it. You expect to get one vote from the other side just as a result of an accident. But we could not even get one vote.

So we had to figure out how we could come up with a plan that cut the budget deficit by $500 billion. Some of it was not very popular. But I was perfectly happy to do that because that is our job. We are required to do that. We ought to do a lot more of it. And we did it. So we passed this Budget Deficit Reduction Act and the deficit has gone down.

I mean, the deficit was around $270 billion. It has gone down about $90 billion or so. Actually, the real deficit is $250 billion. And, you know, if you take the Social Security out, it was over $300 billion. Now it is down to about $250 billion.

But the point is, the deficit reduction package reduced the Federal deficit, but people did not like it very well because the medicine is not medicine that tastes very good. It is bitter-tasting medicine.

So we have come here today with another set of challenges and that is, following on the heels of 2 years ago when we passed the Deficit Reduction Act, and understanding that we did not pass health care reform and understanding that health care costs keep going up, not just up a bit but way up in the long term, the question is how do you then respond to an even greater challenge in the outyears? Do you continue to have increasing Federal deficits now in the outyears, because we have not been able to control health care costs? Or do we find a way to do something about that?

Some say, ''Well, let's change the Constitution. Let's put in the Constitution a requirement that in 7 years, we balance the budget.''

I am willing to consider that. I have voted for a constitutional amendment in the past. I hope I will vote for one in the future, and I may vote for this one, depending on a couple of caveats. I am going to raise those questions today, as I have raised them earlier today with those who have been the principal authors of this legislation.

The question is not whether we do something. The question is how we do something about this debt crisis. Do we pass a constitutional amendment to balance the budget? If we do, what kind of amendment will we pass?

Will we, after we consider a constitutional amendment to balance the budget and vote on it, if we enact it, restore some thread of confidence with the American people?

No, we will not have done anything, not even one penny's worth of progress to responding to the debt issue, by passing the constitutional amendment. No one here would stand, in my judgment, and allege that doing anything to deal with the deficit is going to be a part of this constitutional amendment.

The fact is, the amendment is simply words that will be a part of the constitution. Now, that is important, very important. But, in and of itself, it does nothing to advance even one penny's worth towards reducing the deficit. That will have to be accomplished by a series of other steps, including taxing and spending decisions that the Congress will have to confront. It can confront them with or without a constitutional amendment.

The question is, what would provide the greatest likelihood to advance toward the solution to this debt problem?

And let me ask a couple of questions that I have asked rhetorically today of those who are the principal sponsors.

The first has to do with Social Security. I know that we are told that the Social Security System is a system that is important to everyone in this Chamber, and everyone believes that we ought to protect and preserve the system. We continue to hear that time and time again.

We also hear virtually everyone say that the design to collect more money now for the Social Security System and have an enforced surplus to be saved until after the turn of the century when we need it is a design that virtually everyone subscribes to and believes in.

So we had a vote on this constitutional amendment, on an amendment offered by Senator REID, that said, ''All right. Let's change this so that the definition of expenditures and receipts in the constitutional amendment to balance the budget does not include expenditures and receipts of the Social Security System.''

The reason? Because if you include expenditures and receipts of the Social Security System—a system which, incidentally, is going to run very large surpluses in the coming years that we are going to need to save—if you do that, what you do is you create a circumstance by design that says we will balance the budget by using the Social Security trust funds to do so.

Well, you know, you would have to keep faith with one or the other, but you cannot keep faith with both. Either we say to the senior citizens and the workers who contribute the money that goes into this trust fund that this is saved and we pledge that it is a dedicated tax put in a trust fund to be used only for one purpose, or we do not.

Then you say: Well, we are collecting this dedicated tax. Yes, it is regressive. Yes, we agreed to do it for Social Security, but we have changed our minds. It is now going to be part of the operating budget deficit and it will be used to lower the general operating budget deficit of the United States. One of the two will be the case.

The question the Senate has to answer is which one of those two? We are told, ''Well, we really cannot do much about that at this point. Maybe that could be accomplished in implementing legislation in which we describe what expenditures and receipts mean.''

If that is possible, and it may be possible that we describe what expenditures and receipts mean in the implementing legislation and they do not mean Social Security receipts and expenditures, then that will solve the problem, in my judgment. That can be done by passing that portion of the implementing legislation prior to the vote tomorrow on the constitutional amendment to balance the budget.

There is a way for that to be accomplished. If that is accomplished, that will resolve my concerns with respect to the use of the Social Security revenues because the Senate will have spoken on that issue. But the Senate has to make a decision: Is it going to allow in this amendment the use of the Social Security reserves or surpluses to balance the operating budget deficit, or is it going to use them to save for the future?

It is not going to be both. It will be one or the other. We have already had one occasion in which the implication was that we would use the Social Security surpluses or trust funds to balance the operating budget deficit. If that is the case, that is not satisfactory to me.

If, on the other hand, we are willing to say in implementing legislation,

prior to the vote tomorrow, that expenditures and receipts from the Social Security System are not included in the constitutional amendment as expenditures and receipts, as a matter of definition, then that resolves the problem, at least from my standpoint.

So the question whether that is resolved is not up to me. The question of whether that is resolved is a matter of intent with respect to those who offer the amendment and whether we can, through amendment tomorrow, by passing part of the implementing legislation, deal with that issue.

Let me mention the second issue that has been well discussed, and that is the issue of enforcement. Senator NUNN has raised, and I think appropriately so, the question of how will the constitutional amendment be enforced? Are we creating a constitutional amendment on fiscal policy and asking the courts to be involved in taxing and spending decisions, if, in fact, the Congress does not respond appropriately to what the Constitution requires?

If the answer to that is, yes, we will have the courts enforce the constitutional provision on the balanced budget, then I think there is serious concern by a number of other Senators. This can be resolved easily, and it can be resolved quickly. It can be resolved by precisely the addition of the amendment that was accepted last year ago when we debated this.

Senator Danforth offered and the Senate accepted the provision on enforcement that deals with the declaratory judgment capability. That is exactly the way to solve this. Senator NUNN has raised the issue. Others have. I say from my standpoint, we really ought to respond to this issue in a forthright way. I think it can be responded to in a forthright way. If that is the case, if that is dealt with, then, once again, I raise no objections about that issue.

I would like very much to see Congress advance a solution to this debt crisis. That solution may very well be a constitutional amendment to balance the budget. But I would not be comfortable supporting a constitutional amendment to balance the budget if riding on that vote was $3/4 trillion of Social Security revenue used in the future to offset operating budget expenditures in order to show a lower deficit for the Federal Government but which, at the same time, would mean we would not have saved in the Social Security system that which we promised to save.

It seems to me that the fate of this constitutional amendment to balance the budget will be determined tomorrow by a judgment made by those who offer the amendment on how they resolve, at least from my standpoint, those two questions. What is the will of the Senate with respect to the use of $3/4 trillion of Social Security funds? Are those trust funds going to be used to balance the operating budget deficit, or are they going to be saved?

We are told it is hard to sift through all of this. It is hard because of procedural circumstances. We are told that it is difficult to do these things. Look, when we are passing a change in the U.S. Constitution, this Senate should work its will to make sure that that change is exactly the kind of change we want and the country needs.

The last thing I want to do is make a mistake in amending the U.S. Constitution, because that is a mistake that cannot easily be corrected. This is not, in my judgment, bumper sticker politics or sloganeering. It is deadly serious business when we are talking about changing the basic Constitution of this country.

I have said before and I will say again, I think the debt crisis in this country is sufficiently serious to warrant this serious discussion about changing the Constitution, and I would be a part of those who are willing to change the Constitution if the two issues I have mentioned are resolved. If they are not resolved, I will not be a part of that change. The decision is not a decision I will make. The decision is a decision that will be made by those who are crafting this and whether they will allow the will of the Senate to be expressed on this issue of the use of $3 to $4 trillion of Social Security funds and on the issue of enforcement.

Some say, ''Well, you voted for the balanced budget amendment previously.'' Yes, I have. It was different in the sense that it contained the enforcement provision provided by Senator Danforth. This does not. If they do that, it will make me more comfortable.

And one other thing has changed that is fundamental. We now have something called a Contract With America which proposes at the same time that we face a serious debt crisis in our country, a massive tax cut, ingeniously, in the mind of some, concocted so that a smaller part of it occurs in the first 5 years of budget scoring and a much larger portion occurs in the second 5 years, a tax-cut proposal that will reduce revenues in 10 years by some $3 to $4 trillion, it is estimated.

I think it is very difficult to have a serious discussion about a tax cut at a time when we are also having a serious discussion about changing the Constitution because this country has a debt crisis. In my own view, the job of the U.S. Senate is to find a way to cut spending. And, yes, we ought to be tough and cut spending and cut spending, and use the money to cut the deficit.

Now, there is a judicious way to cut spending and another way to cut spending. You do not have to do it with a meat ax, and you can do it with some judgment and some discipline. I confess that I am confused by those who are the loudest voices for changing the Constitution so that we would require a balanced budget, and who on the other side of their coverall pockets are saying, ''We also want a $3 to $4 trillion tax cut. And we want more defense spending, and we also, by the way, want to resurrect Star Wars at the same time.''

I have no idea where these arithmetic books come from, but they did not use them in my home school. I hope, as we work through all of this agenda, that we will come to a more focused agenda; that is, a determination by all Members, to head towards the same common goal: Relieve this country of a debt crisis that is getting worse, see if we can move towards a balanced budget, and try to do the right thing for this country's future.

I am willing to take risks. And I think we should be willing to take risks these days to try to respond to this problem; if not for us, then certainly for our children. But I am not willing to cast a vote for a constitutional amendment unless it is the right constitutional amendment, and I am hoping that, in the coming day or so, a couple of the problems that we have had discussed at length discussions can be addressed. If that is the case, I will vote for the constitutional amendment. If it is not the case, then those who have written this proposal will end up short of votes to pass this proposal.

Mr. President, I will be on the floor again tomorrow, and I assume we will have additional discussions. I say again that the decision of whether this constitutional amendment to balance the budget is enacted by the Senate is a decision that will be made by those who advance it, and whether or not they will allow the Senate to work its will on these two questions, from my standpoint, the use of the Social Security reserves and trust funds and, also, the question of enforcement.

Mr. President, I yield the floor.

Mr. GORTON addressed the Chair.

The PRESIDING OFFICER. The Senator from Washington.

Mr. GORTON. Mr. President, I have listened with great interest to the remarks of the distinguished Senator from North Dakota who, it seems to me, has made three points or sets of reservations about the balanced budget amendment rather than two.

One is the failure to exempt Social Security from all calculations under the amendment; the second is the absence of any provision in the amendment that will prevent the courts of the United States from arrogating to themselves the right to write balanced budgets; and third is the impact on attempting to balance the budgets of various proposals in the House of Representatives for reductions in taxes.

I say with all the sincerity at my command with respect to those concerns of the Senator that two of the three, it seems to me, rather argue in favor of supporting this constitutional amendment than they do against it. The third is, as I believe the Senator from North Dakota knows, a concern which I share and share deeply.

Let me take the first two points first. The first question that arises

with respect to Social Security is, is the Social Security System protected in some way by a defeat of this constitutional amendment in a way that it is not by its passage? Well, Mr. President, the answer to that question is clearly no. In fact, I am convinced that the Social Security System of this country will be stronger and more secure with the passage of this constitutional amendment in its present form than it will be either without a constitutional amendment at all or, alternatively, with a specific exemption in the constitutional amendment itself.

It is clear that the Senator from North Dakota, who is genuinely agonized by the choice in front of him, does wish that we balance our budget, does feel that the present system has failed to do so. And yet with each year that passes under the present system, the pressure on Social Security and, for that matter, on all other vital forms of spending in the United States, increases by reason of the failure of this and other administrations and the Congress to deal with problems of the deficit.

No one can feel that early in the next century when this country, if we make no changes in the way in which we operate, will literally have no money left for anything other than a handful of entitlements, no person can feel that under those circumstances Social Security will not be changed. It will, and it will be changed to the detriment of the recipients of Social Security retirement income.

Bringing our fiscal house in order, therefore, protects rather than threatens the Social Security System. And if, as I believe and the Senator from North Dakota believes, that we are not going to bring our house in order unless we establish some kind of external discipline, why then, Mr. President, the passage of this amendment in its present form is a protection for Social Security rather than a threat to it.

An addition to this amendment of a specific exemption for Social Security, I think, perhaps threatens the system even more because it will provide, by such a huge exception to the requirement for a balanced budget, an overwhelming temptation directed at future Congresses to redefine what is in Social Security, to include in the system all kinds of benefits which will go to the same classes of people who benefit from Social Security today that are not now defined as Social Security or, alternatively, in order to balance the budget, a reduction in the Social Security payroll tax and, therefore, in present surpluses in that system and a transfer of that taxing authority to the general fund in order to balance the budget.

So an exemption of Social Security written into the Constitution will not protect the system. A rejection of the constitutional amendment will not protect the system. The system will, I am convinced, be protected best by treating the budget deficit for what it is: A terrible threat to the country, a threat which Congress and Presidents have been unable or unwilling to meet in the past, and dealing with it through a constitutional amendment which requires all parties, everyone in the country, but most particularly future Presidents and future Members of Congress to be a part of the solution rather than a part of the problem.

The difficulty, of course, is that Social Security receipts and disbursements are receipts and disbursements of the United States. The payroll tax is a tax. Disbursements are disbursements. Markets, the economy of the United States, are not fooled by saying that money goes into and comes out of one pocket rather than another. If we are to balance the budget, we must balance it with all receipts and all expenditures, and those who are recipients of Social Security will be best off if we recognize that fact because if we fail to do so, they will be threatened along with everyone else.

On a second subject, Mr. President, I had not previously heard that one of the arguments against this constitutional amendment is a set of proposals in the House of Representatives with respect to tax cuts. The President of the United States himself in his budget submission has proposed tax reductions somewhat more modest than those in the so-called Contract With America, probably less effective in rebuilding our economy and opportunity for economic growth in the United States.

But again, with respect to a more liberal Member on the other side of the aisle who opposes the tax reductions contained in the Contract With America, it would seem to me that the existence of those promises would be rather an argument in favor of this constitutional amendment than an argument against it, since it is obvious that a requirement that the budget be balanced by the year 2002, as a matter of constitutional law, will require all Members of Congress—those who favor tax reductions and those who do not—to look much more carefully at the budget implications of each and every action, whether that action refers to spending or to taxing policies.

The third point made by the Senator from North Dakota, on the other hand, is one with which this Senator agrees. This Senator was one of several on this side of the aisle who voted in favor of an amendment proposed by the distinguished senior Senator from Louisiana a week or so ago to make clear that the responsibility for budget decisions, after the passage of this amendment, rests exactly where it does now: With the President and with the Congress of the United States, subject to the heavy discipline this amendment requires.

I do not wish courts substituting their judgment for the judgment of those who are elected by the people of the United States to make these vital and important decisions for the people of the country by any stretch of the imagination. And I hope—I think it is perhaps possible—that that kind of change may be made in this constitutional amendment. I am delighted with the thoughtful attitude toward it by the Senator from North Dakota.

That is a proposal which, in my mind, would strengthen this constitutional amendment. The other proposal would weaken it and would weaken the Social Security System at the same time.

Now, having listened to the last hour or so of debate on this floor, I am reminded of the set of categories with which I was impressed on the very first day of the debate on this constitutional amendment; and that is that Members of this body are divided into three groups with respect to the budget of the United States.

There is clearly a group of liberal Members, that does not include the Senator from North Dakota, that simply does not believe in a balanced budget at all, who like the status quo, who favor the present system, who believe that deficits are not harmful to economic growth or to the prosperity of the people of the United States of America.

Those Members are and should be opposed to a constitutional amendment which makes an unbalanced budget a much more difficult task to undertake than it is at the present time.

There is, in addition, Mr. President, a second group, a group represented at least in the original instance by the remarks of the distinguished senior Senator from Ohio about 1 hour ago, who tell us that they believe deeply and passionately in a balanced budget but that we ought to do it ourselves; that we should not engage in a change in the Constitution; that it is simply a matter of discipline.

Then there is the third and largest group—whether it includes 67 Members or not will be determined about 24 hours from right now—a third and larger group which believes that the present system is broken, that a balanced budget is desirable—in fact it is imperative if we are to do our duty to generations yet to come—which in many cases has tried varying formulae for bringing the budget into balance without a change in the fundamental system itself and observe simply as a result of our history that it has not worked; that the system is broken; that we need a radical change, a new direction; and that that new direction is represented by the amendment to the Constitution which is before us right now.

The difficulty with opposition to this amendment, in my view, Mr. President, is just this. The first and second categories tend to have a fuzzy distinction between them, tend to meld into one another. The distinguished Senator from Ohio began his speech by demanding a discipline on the part of Members of the Congress: do the job ourselves, do what we were sent here to do, do not ask for constitutional changes in order

to do it. Then he launched into a criticism of all of the possible ways of reducing spending so that the budget might be balanced. He seemed to move, in other words, from category 2 into category 1. We should discipline ourselves; we should balance the budget on our own hook; but it would be a terrible threat to deal with any of the really expensive spending programs which in total result in our having a budget that is unbalanced.

It is in that second category, it seems to me now, that the President of the United States falls. We have heard a great deal about the fiscal discipline and the political courage that was involved in passing the budget here just 2 years ago which significantly increased taxes without significantly reducing spending and resulted in, or was coincident with at the time of rising economic growth, a relatively modest decline in the budget deficit.

However, that budget year is over, and we now have a proposal from the President that never, even under very rosy economic growth projections, results in a budget deficit of significantly less than $200 billion a year as far as the eye can see—5 years, 10 years, beyond that period of time—which suggests some modest tax reductions and even more modest spending reductions. It overwhelmingly lacks courage, a status quo budget, and it is perhaps the best single illustration of why we must pass this constitutional amendment.

When a President, who made deficit reduction the heart of his message during his first year as President, abandons that goal totally, lock, stock, and barrel, by the third year of his Presidency, it is clear we need to change the system under which we operate.

Of course, it is exactly that change which is proposed in this constitutional amendment. The dynamics of its passage and its ratification by the people of the United States will clearly be dramatic. If this proposal were a part of the Constitution of the United States today, the President of the United States could not validly have submitted the budget to us which he has before us right now. He would be required by his oath of office, by the Constitution of the United States itself, to be a part of the solution rather than part of the problem. Political cowardice would instead be political folly, an abandonment of a constitutional duty.

Many of us here might not like the proposals of this President with respect to balancing the budget, but he would have been required to propose such a course of action. And for those of us who dislike it, we would have been required to come up with an alternative.

Now, anyone can speak of the desirability of balancing the budget in the abstract and the lack of desirability of cutting any spending programs in reality, and there is no penalty for taking such a course of action. As and when this proposal becomes a part of the Constitution of the United States, there will be a huge penalty for such a course of action. Presidents and Members of Congress will be required to come up with budgets that either reduce spending or increase taxes or both. And if at some time there is a return to the majority of those who believe in higher taxes—a group clearly not in the majority today—they will be able to do so. There is nothing in this constitutional amendment that prevents balancing the budget on the backs of taxpayers of the United States. There is a clear majority in this body right now who will not do so. But if an election campaign is run successfully on the proposition that we need higher taxes, a Congress which wins on that platform will be able to do so. By the same token, those who believe that spending needs to be cut will be under the gun; they will be required to produce; and the President will be required to come up with some kind of proposal or another, better and more responsible than the proposal that we received from this President this year.

The dynamics of this constitutional amendment, Mr. President, are simply this: Everyone in elected office will have to be a part of the solution. Everyone will have to be a part of the game rather than allowing the challenge simply to be kicked down the road, left to the next administration, to the next Congress, to the next group of people who come here.

How much better off we would be had a proposal such as this been passed some years ago, but if we have learned anything in the course of the last decade or decade and a half, it is that the most sincere statutory solutions, like Gramm-Rudman, do not work because they get abandoned as soon as the shoe begins to pinch.

There is, in my view, no solution to the fiscal problems facing this country—no solution that will free our economy, no solution that will create more and more opportunities for the present generations and generations yet to come except to make the kind of changes proposed in this constitutional amendment.

It is clear that tomorrow's vote is going to be absolutely vital for the future of this country. It is clear that a majority of the people of the country want this constitutional amendment. It is clear that a majority of the Members of this body want that constitutional amendment.

What remains unclear is whether the necessary two-thirds in this body will follow logic, reason, and the will of their constituents and refer this constitutional amendment to the States of the United States for ratification.

The PRESIDING OFFICER. The Senator from Texas.

Mrs. HUTCHISON. Mr. President, I appreciate what the Senator from Washington has just been saying. I have been on the floor listening to him. He is one of the people I admire most in this body. He has been the attorney general of his State. He knows the legalities and the importance of doing this as a constitutional amendment. I am very pleased he is one of the leaders in this effort.

I would just like to say it is the most important vote that I will cast in my public life. That is how important the vote tomorrow is, in my opinion, for our future generations of this country. So I do think we need to focus on the basic issues.

The first one is why? Why do we need this to be a constitutional amendment? The national debt is a cancer on this country and we are passing it to our children and grandchildren. It is now over $4 trillion; $17,600 for every man, woman, and child in this country. For a family of four this is over $70,000 in debt. If a family of four has a $70,000 debt, that is a big responsibility. That is a burden on the shoulders of that family. You have to pay it out over time and it is not easy. In fact, every family of four in this country has the $70,000 debt that we will only be able to erase if we pass this amendment tomorrow. It is soaking up capital that we need for investment in our businesses, and it is 26 percent of our budget that we are paying in interest.

That money could be going into investment capital for investment in equipment that would create jobs, that would help our economy and would help the people of our country get back to work. But instead, that money is just going to pay interest on the national debt.

It has been getting worse just in the last few years. Since 1975, 20 years ago, our per capita debt has increased more than sevenfold. So it is something that is getting worse, not better. In fact, the per capita debt has increased $900 just since we started debating this amendment earlier this month. It is $900. You have seen the charts. It just keeps going up as we talk. We must take drastic action. This is for the Constitution.

Let us take some of their arguments. Their arguments are: Do it by statute. We can do it if we have the resolve to do it. But in fact we have tried for the last 30 years to do what was right and Congress found it was always easier to spend than it was to cut. They found it was even easier to tax than to curb that voracious appetite for spending. I think we have to take the very important step of getting this country back on track. We have tried to do it by statute. We tried Gramm-Rudman. We tried the 1990 budget agreement. But every time something comes up and Congress wimps out and we do not start balancing the budget. We must have a constitutional mandate if it is really going to work. We have tried everything else. If we are going to do what is right we must do it by amendment.

Some of the opponents say: Tell us where you are going to cut. We will probably vote with you if we know where you are going to cut. It would be

a year from now before we could get through all of these arguments and then go to the argument of how we are going to make these cuts on sort of a try it basis, not for real.

No, every business and every household in America cuts their budget the same way. They determine what is the priority, what is the revenue, and then they say: OK, here is what we have to spend. They do not say here is what I would like to spend and I will just take care of it later. They do what every State does, they find out what the revenue is and then they prioritize their needs. I do not know why the Federal Government does not get it. I do not know why the U.S. Congress cannot figure out that we, too, can do what every State, every business and every household in America does and that is determine what the revenue is and then decide what the spending priorities are. That is the responsible way to approach the budget.

There have been legitimate arguments on the issue of exempting Social Security. I think a lot of people have thought why do you not set Social Security aside? Of course we believe Social Security is inviolate. But we are talking about amending our Constitution. We have seen what Congress has already done to Social Security without one vote by any Republican in the Congress, on the House side or the Senate side. Taxes were increased on Social Security.

I do not think we can assume Congress is going to do the responsible thing. Let us see what would happen if we exempted Social Security. All of a sudden more things would be moved into Social Security. We would have Social Security take up welfare; perhaps Medicaid. Everything that Congress wanted to stuff outside of the quota that will be established with a balanced budget amendment would just be locked into Social Security and there is nothing to prevent it.

If you are going to exempt anything you cannot have a balanced budget amendment. It will not be effective if anything is exempted out because whatever it is will then get everything that Congress wants to put in that will not count against the restraints that we will put on ourselves through a balanced budget amendment to our Constitution.

I am going to support Social Security and the veracity of our Social Security system as long as I am in public life. But if we take that outside of this constitutional amendment we will not protect Social Security. It will be the opposite. We will make Social Security more precarious than it is now because we will not have the ability to say: This is the budget. Here is the revenue. And we are going to live within our means like every family and every business and every State in this country strives to do.

Senator PAUL SIMON, the Senator from Illinois, has been one of the prime movers in the balanced budget amendment. I admire and respect him greatly. Last year, when he cosponsored this amendment, he got all wound up and he said the reason that there were so many heroes at the Alamo is because there was no back door.

I love Senator SIMON but I had to come down on the floor and say to my distinguished colleague that his facts were wrong but his point was right. The fact is, there was a back door at the Alamo. It was a line drawn in the sand and every man at the Alamo was given the choice of crossing the line to fight for the independence of Texas, or to leave at that time. And every man at the Alamo voluntarily walked across that line, and Jim Bowie was carried in his stretcher across that line, to say we are going to commit ourselves to fight for the independence of Texas and we are going to voluntarily close that door. So they were heroes. They were real American heroes.

But Senator SIMON was making a point, and the point was right. That is the same thing that we can do right here tomorrow; that is, close the back door, become a hero. The vote tomorrow is what is right for the long-term future of this country. That is what will close the door, and we will do it in a responsible manner because it is the right thing to do for our children to stop this $18,000 debt that they have over their heads right now. Yes. This is the most important vote that we will ever cast.

Thomas Jefferson, one of our Founding Fathers, must have feared that, in all of the thinking about what might come in the future, perhaps there would be a tendency to spend more money because he probably sensed that it is human nature to want to spend the money to do the good things that all of us would like to do. Two hundred years ago, Thomas Jefferson said:

> The question whether one generation has the right to bind another by the deficit it imposes is a question of such consequence as to place it among the fundamental principles of government. We should consider ourselves unauthorized to saddle posterity with our debts and morally bound to pay them ourselves.

Thomas Jefferson went on to say:

> There does not exist an engine so corruptive of the government and so demoralizing of the nation as a public debt. It will bring us more ruin at home than all of the enemies from abroad.

He realized that this is not something that should be done just by statute. If it is really going to have teeth, he questioned whether it should not go into the framework of our Government, the policy statements that will last through the generations. And I think his instincts were right, and they have been proven so as our country has gone headlong into over a $4 trillion debt. While Thomas Jefferson was very farsighted, I do not think even he could have foreseen a $4 trillion debt. But he knew that there was the possibility that weak Congresses would spend now and pay later.

We have the ability to do what I think Thomas Jefferson thought we should have done in the first place; that is, put in our framework of Government, if we think something is so important, that we will put it on our priority list and we will pay for it now, and if it is not that important, it does not meet the test of responsible governing.

So I hope that we will take this monumental opportunity that we have tomorrow. It is probably the best chance we are going to have in my lifetime to do what is right to get this country back on track and to pass a balanced budget amendment to our Constitution so that our State legislatures, while they are meeting now, will have the opportunity to ratify or not ratify, but will have the opportunity to vote on this very important framework of Government issue. And I hope we do the right thing.

Thank you, Mr. President.

Mr. LEVIN addressed the Chair.

The PRESIDING OFFICER (Mr. BOND). The Senator from Michigan.

Mr. LEVIN. Mr. President, there are three amendments that I have offered which I want to describe tonight to the body.

First, I am offering two amendments regarding the vote of the Vice President of the United States in the two situations in which the balanced budget amendment calls for a constitutional majority. Section 4 states:

> No bill to increase revenues shall become law unless approved by a majority of the whole number of each House by a rollcall vote.

Section 5 states:

> Provisions of this article may be waived for any fiscal year in which the United States is engaged in military conflict which causes an imminent and serious military threat to national security and is so declared by a joint resolution adopted by a majority of the whole number of each House which becomes law.

So the question has arisen in debate as to whether or not the language in these provisions ''the whole number of each House'' would deny the Vice President of the United States a vote to break a 50-to-50 tie. While it is clear that 51 votes would be necessary under this provision, it is unclear whether the Vice President would be denied a vote in an equal division of 50 to 50. Why should he or she be so denied? The Vice President is not denied a vote in a 50-to-50 tie situation anywhere else in the Constitution. The proponents of the balanced budget amendment in the House and the Senate have not agreed about the effect of this language. In the House of Representatives, the chief sponsor of this constitutional amendment, Representative SCHAEFER of Colorado, stated in the CONGRESSIONAL RECORD on January 26:

> This language is not intended to preclude the Vice President in his or her constitutional capacity as President of the Senate from casting a tie-breaking vote that would produce a 51–50 result.

Representative SCHAEFER goes on to say:

Nothing in section 4 of the substitute takes away the Vice President's right to vote under such circumstances.

However, the principal Senate sponsor, the Senator from Utah, stated on the floor of the Senate on February 16 that the Vice President would be denied the deciding vote in a 50–50 situation. He went on to cite the example of the President's 1993 deficit reduction package, which was passed by a 51 to 50 vote with the Vice President casting the deciding vote, as legislation which would not have passed had this constitutional amendment then been in effect.

Mr. President, the two amendments which I have offered are very straightforward. One makes it clear that the Vice President has a vote. If that fails, the other would say that he does not.

Think for a moment about a future situation like the Persian Gulf war. A future President required to make a decision about the deployment of thousands of American troops, in a situation in which he might not know if they would be attacked or required to enter into hostilities, might well not be able to assess whether the outlays required to support those troops would exceed the balanced budget because he does not know if hostilities will occur. But he would be reluctant, properly, to deploy those troops without the certain knowledge that they would be unequivocally given the necessary resources to support them in the field, if attacked or if needed. Approval of such authority might be a close question as it was in the case of the gulf war.

What if we faced a 50-to-50 vote to waive under section 5? With the language unclear, is it not likely that the Vice President would be in the chair, and that he or she would vote? Would there then be a point of order raised that his vote was unconstitutional under section 5? What if the Senate voted 50 to 50 on the constitutional point of order? The Vice President might then break that tie. Might not the law providing the waiver then be subject to a lawsuit arguing that it was unconstitutional because the Vice President had voted? Should we invite this sort of constitutional crisis by leaving ambiguity in the amendment? I say no.

I would prefer that we approve the first of these amendments, thus preserving a vote for the Vice President. I urge my colleagues to vote against tabling amendment No. 310. However, Mr. President, I hope that those who believe that the Vice President should have no vote in such circumstances would support amendment No. 311.

Logically, every Senator, in my view, should support one amendment or the other. A vote to table both is a vote to leave this proposed constitutional amendment ambiguous on a matter of considerable importance. I will reiterate one critical point. The chief sponsors in the House have specifically indicated in a formal answer on the record that it is not intended to deny the Vice President a vote in these circumstances. The chief sponsors in the Senate have denied that it is intended to deny the Vice President a vote in these circumstances. This is not a record which should be allowed to remain in this condition. The stakes are simply too huge and we should clarify this one way or the other.

Mr. President, the constitutional amendment we would be voting on tomorrow does not balance the budget. By its own terms, some future Congress would still need to adopt enforcement and implementation legislation to achieve a balanced budget. The argument has been made that we have tried everything. We have tried legislation; we have tried statutes; we have tried passing laws. Why not a constitutional amendment?

The argument goes: ''We can't depend on legislation, so let's try a constitutional amendment.''

So what does the constitutional amendment do? It depends on the same kind of legislation. The exact same kind of legislation needs to be enacted under the terms of this constitutional amendment which the sponsors of the amendment say has previously been ineffective.

The constitutional amendment may sound fiscally conservative, but it will delay the day of reckoning for up to 7 years and it will still depend upon congressional action for there to be a reckoning even then.

I have offered an amendment to the constitutional amendment. My amendment would require this Congress to pass the needed enforcement legislation and not pass the buck to a future Congress to pass the enforcement legislation, which is so critical if this constitutional amendment be effective.

My amendment provides that the constitutional amendment, if we adopt it tomorrow, would be submitted to the States for ratification only after we have enacted legislation specifying the means for implementing and enforcing its call for a balanced budget.

Now, there are two advantages to this approach. First, it places the responsibility on us instead of leaving it to the future. Second, the States would be informed how the enforcement mechanism would work so they could consider that in their ratification deliberations.

First, Mr. President, there is no doubt that for this amendment to be effective, a Congress must pass enforcement or implementing legislation. Section 6 reads that:

The Congress shall enforce and implement this article by appropriate legislation.

This is different from most other amendments to the Constitution and most other provisions in the Constitution.

For instance, the 14th amendment says that ''Congress shall have the power to enforce,'' but it is not dependent upon the Congress adopting legislation. The 15th amendment says that ''Congress shall have the power to enforce.'' Again, a court decision has decided it is not dependent upon Congress adopting enforcement language. The 19th amendment, ''Congress shall have the power to enforce''; the 23rd amendment, ''Congress shall have the power to enforce''; the 24th amendment, ''Congress shall have the power to enforce''; the 26th amendment, ''Congress shall have the power to enforce''; the 18th amendment, ''Congress and the several States shall have concurrent power to enforce.''

The 13th amendment, the amendment which abolished slavery, provides that ''Congress shall have the power to enforce.'' But the 13th amendment, like the others I have described, is not dependent on legislation. It is enforceable without legislation.

It would be unthinkable, I believe, for any of us to believe that the 13th amendment, or an amendment like it, would pass which said something like the following: Slavery will be abolished in this country when Congress enacts legislation to abolish it.

The 13th amendment and the other amendments which I have described are self-enforcing. They do not depend upon legislation for them to be enforced.

Mr. President, the importance of the need for Congress to adopt implementing legislation has been discussed and described by many, many people. The most recent Director of the Congressional Budget Office, Mr. Reischauer, said the following about this issue. He said, ''First of all,'' and here I think he is in agreement with most, if not all, of us, ''a large reduction in Government borrowing is highly desirable.'' But then he said that ''A balanced budget amendment, on its own, does not advance the chances for lowering Federal borrowing.''

''A balanced budget amendment, on its own, does not advance the chances for lowering Federal borrowing.'' He put it another way in his testimony. That ''A balanced budget amendment, in and of itself, is not a solution, rather it is only a repetition in an even louder voice of an intention that has been stated over and over again during the course of the last 50 years.'' He went on to say that ''A balanced budget amendment, in and of itself, will neither produce a plan nor allocate responsibility for producing.'' In perhaps his most pointed comment, he said that ''Without credible legislation for the transition that embodies an effective mechanism for enforcement''—an effective mechanism for enforcement—''Government borrowing is not going to be cut.'' And he concluded that thought by saying, ''But the transitional legislation and the enforcement mechanism are 95 percent of the battle. If we could get agreement on those,'' he said, ''we would not need a constitutional amendment.''

Yet, this constitutional amendment depends on there being an agreement

on an enforcement mechanism by a future Congress.

Supporters and sponsors of this legislation have said in the past, over the years that this constitutional amendment was being considered, that enforcement legislation is critical to its success.

Senator DOMENICI, back in 1982, said that ''Congress is going to have to pass some very difficult enabling legislation to carry out the purposes of this amendment.''

Senator THURMOND, in August of 1992, said: ''The amendment would not be self-enforcing. There would be a clear responsibility upon Congress to develop procedures to ensure that it is capable of satisfying its new constitutional responsibilities under the proposed amendment.'' Again, he said back in 1982, ''There is no serious question that Congress will have to develop effective implementing legislation.''

Senator HATCH, the prime sponsor of this legislation, in March of 1986, said the following:

> There is no question that Congress would have to pass implementing legislation to make it effective. In that sense, it is not self-executing. It would be the obligation of Congress, after the amendment is passed by both Houses and ratified by three-quarters of the States, to, of course, enact legislation that would cause a balanced budget to come about.

The committee report for this legislation says the following:

> Congress has a positive obligation to fashion legislation to enforce this article. An amendment dealing with subject matter as complicated as the Federal budget process must be supplemented with implementing legislation.

In a colloquy that I had with Senator SIMON the last time that this amendment was before this body, we had the following questions and answers:

> Mr. LEVIN. . . . How would the monitoring of the flow and receipts of outlays be done to determine whether the budget for any fiscal year is on the track of being balanced? Would this require implementing legislation?
>
> Mr. SIMON. There would have to be monitoring, and future legislation would have to take care of the implementation of that monitoring.
>
> Mr. LEVIN. What exactly is the definition of receipts and outlays? Specifically, would the receipts and outlays to the Bonneville Power Administration be receipts and outlays of the United States pursuant to this constitutional amendment? Would the answer to these questions require implementing legislation?
>
> Mr. SIMON. Implementing legislation will be needed on some of these peripheral questions. . .
>
> Mr. LEVIN. . . . In an instance in which the Office of Management and Budget and the Congressional Budget Office disagree with each other on what a level of outlays is, how will the dispute be resolved so that it can be determined whether or not outlays exceed receipts?
>
> Mr. SIMON. Future legislation will have to take care of this.
>
> Mr. LEVIN. Who will determine the level of receipts and whether a revenue bill is ''a bill to increase revenues''? . . .
>
> Mr. SIMON. That will also have to be determined through future legislation.
>
> Mr. LEVIN. At what point will it be determined that outlays will in fact exceed revenues and that action such as a tax increase, spending cuts, or tapping into a rainy day fund will be required? . . .
>
> Mr. SIMON. . . . future legislation will work out the details.

The importance of enforcement legislation is recognized inside the constitutional amendment itself. In section 6—and the report of the committee makes it clear that within section 6 it says that the Congress shall enforce and implement this article by appropriate legislation—the words of section 6, in the words of the committee report:

> This section recognizes that an amendment must be supplemented with implementing legislation.

Again, Senator HATCH, the distinguished chief sponsor of this legislation, said as recently as January 30 that:

> Moreover, under section 6 of the amendment, Congress must, and I emphasize must, mandate exactly what type of enforcement mechanism it wants, whether it be sequestration, rescission, or the establishment of a contingency fund.

Mr. President, there have been a number of critical questions raised during this debate that have also been left to enforcement legislation. There is the question of impoundment. Will the President have the right to impound under this constitutional provision? The answer is, that will be determined by implementing legislation.

Then the question is, what is the role of the courts? An absolutely essential question for many Members of this body, indeed a question so essential that some votes may be dependent upon making certain that the courts will not be able to raise taxes or to veto appropriations.

And, by the way, the chief sponsor in the House said specifically in a question and answer colloquy that a court could have the right to veto an appropriation or a revenue.

These are absolutely essential questions to not be left ambiguous. The answer is future enforcement legislation will determine whether or not the court will have any such authority.

Well, it is not good enough to leave the critical issues and the teeth to future enforcement legislation when this Congress can and should adopt that legislation prior to this amendment going to the States, assuming, again, that it passes the Senate tomorrow. There is no reason why we should not accept the responsibility of deciding what is in that enforcement legislation, what the teeth will be, what the sequestration mechanism will be, and not just simply kick the enforcement can down the road.

If we do that, it means there is no hook. We are off the hook for 7 years, at least, because 2002 is the first year it is enforced. And we may find there is no hook then.

Mr. President, it has been said if this constitutional amendment is adopted, that we will adopt some future implementation legislation; because we have all taken an oath to uphold the Constitution, that that will increase pressure on Members to adopt enforcement legislation.

First of all, our oath to the Constitution does not require, does not assure, we will be able to agree on any particular mechanism or set of procedures to carry out the constitutional amendment if it is adopted. The oath we take is not a group oath, it is an individual oath. As individuals, we would be duty bound to carry out the intent of the Constitution, of course, duty bound to support an endorsement mechanism, presumably. But that is far different from language being self-enforcing, because there is no assurance that a majority of the Congress would agree on the same mechanism, even though every Member might carry out his constitutional duty and vote for one enforcement mechanism or another.

To the extent that the Constitution adds some pressure to reach a majority decision on an enforcement mechanism, that pressure would be significantly enhanced and made much more real if the Senate adopts my amendment tomorrow.

Under my approach, the pending constitutional amendment—assuming, of course, that two-thirds of the Congress votes for it—would be sent to the States for ratification only after the enforcement legislation is passed. And to the extent that there is a hammer on Members in the language of the pending amendment to adopt enforcement language down the road, there is a hammer on Members to adopt the enforcement legislation if the pending constitutional amendment is not sent to the States for ratification until after we adopt that enforcement mechanism legislation.

Now, without my amendment, if we adopt a constitutional provision tomorrow, it is but an empty promise. It would allow the Congress to put off adopting the credit implementation legislation, and therefore allow the argument to be made that the deficit was cured, although, in fact, the strong medicine has not even been taken.

There are two advantages, again, to adopting this amendment. First, it places the responsibility on this Congress instead of leaving it to a future Congress. We should not kick that enforcement can down the road to some uncertain time and some uncertain fate. Enacting a clear mechanism for enforcing the constitutional amendment before the amendment goes to the States is a way of assuring that we meet our responsibility instead of abdicating it.

Second, the States would be informed how that mechanism would work so that they could consider that in their ratification deliberations. This would not be a long delay. We were given assurances by the Senator from Utah the other night relative to part of the enforcement legislation as it relates to

the courts, assurances that were given to the Senator from Georgia, that that could be worked out during a summit by the end of the summer. I believe he said this need not be a long delay. This is just a matter of months to be sure that we do not just say, in a constitutional amendment, some future Congress should adopt enforcement legislation to achieve a balanced budget.

My amendment, if adopted, would make sure that if we adopt a constitutional amendment, that before we send it to the States for ratification, that we adopt an enforcement mechanism to achieve a balanced budget. That will make it much more likely. I am very concerned that enforcement mechanism would be adopted and that it would then be subject to the scrutiny of the States in determining whether or not they should ratify this amendment.

Mr. President, I thank the Chair. I yield the floor.

Mr. HATCH. Mr. President, I will not be long. I understand that the Senator from Maryland would like to speak.

I would like to point out one more time about our balanced budget debt tracker. We only have 1 more day to go. We might as well finish what we started, and that is after the 27th, we were $22 billion in debt; after the 28th, we will be up to $23 billion; the 28th day, we have added to our deficit of $4.8 trillion since the beginning of this debate. Frankly, we are now in day 29, and here we are, as we debated this matter, we are now up to $24,053,760,000 in additional debt to the baseline of $4.8 trillion since we started debating. We will be adding one more of these green debt tracker slots tomorrow, the 30th day since we started debate on this matter.

It is apparent this will go up every day we do not pass a balanced budget amendment. It is apparent we will have to have $300 billion a year in added deficits, maybe $350 billion a year in added deficits every year that we do not do something about this. So this balanced budget debt tracker is a very, very, important indication of just where we are going.

We have to do something about it. Everybody admits that. Are we going to do business as usual, which is where we have been for the last 60 years—certainly, the last 36 years, when we have only balanced the budget once—or are we really going to do something new here, something that would work, to put the pressure on Presidents to have to do something about bringing the budget into balance, and something that would put pressure on Members of Congress to make priority choices among competing programs?

If we do not do that, we are mortgaging the future of our children and grandchildren. I hate to see that. Tomorrow is a big day. By the end of the day, we will know whether we passed a balanced budget amendment, and I hope we will. I will limit my remarks to that and the chart tomorrow, and hopefully we can finish tomorrow in a short time.

Mr. President, the opponents of the balanced budget amendment seem to have an infatuation with requiring the implementation plans before we pass the balanced budget amendment. This latest version requires us to pass the implementing legislation before we pass the amendment itself. This is, to say the least, a peculiar way of proceeding.

This amendment is a requirement that we put the cart before the horse. Mr. President, how can we implement a constitutional amendment which has not yet been ratified?

If the Framers worked as this proposal suggests we should, all Federal laws would have had to be passed before there was even a Congress to pass them. Does the Senator believe we should have had to choose all the jurors for a trial before we adopted the sixth amendment? Or pass the 1964 Civil Rights Act before we adopted the 14th amendment?

This type of amendment is a perfect example of why we need the balanced budget amendment. Congress is always looking for a way out—a way to stave off responsibility. And the Congress knows that the balanced budget amendment means that it will be held responsible for its actions.

It also confuses the debate about the rule with the debate about outcomes within the rule. The proponents are interrupting the discussion of the rules until the outcomes within the rules can be determined. It is like stopping the discussion of the rules of a poker game until it can be determined what hands will be dealt. We need to establish this new regime of rules before we can start implementing it.

Mr. President, I have made it as clear as I possibly can that after the balanced budget amendment is ratified, I will be more than happy to work with any Member of the Senate in drafting the implementing legislation. I cannot do any more than that. It is simply not possible to do as the proposed amendment seeks, to pass the implementing legislation before the balanced budget amendment is ratified.

I hope we can put this proposal aside and move back the real issue at hand—will we stop the Government's slide into an endless pit of debt or stand idly by and watch as the country falls into economic crisis?

IN OPPOSITION TO THE BALANCED BUDGET AMENDMENT

Mr. MOYNIHAN. Mr. President, the distinguished scholars and administrators of the Jerome Levy Economics Institute of Bard College placed an advertisement in this morning's Washington Post which delineated the perils of writing economic policy into the U.S. Constitution. This document deserves the fullest attention of the Senate and I ask unanimous consent that the entire text be printed in the RECORD.

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

[From the Washington Post, Feb. 27, 1995]

AN INVITATION TO DISASTER

The Balanced Budget Amendment would destroy the ability of the United States government to prevent economic depressions, to respond to natural disasters, to protect the savings of tens of millions of working Americans, and, over time, to enable the economy to grow.

The ability of the federal government to pump money into an ailing economy has time and again in the postwar era limited the depth and duration of a recession and prevented a depression. During the 1957–58 recession, the Eisenhower administration deliberately increased the deficit. That strategy brought a rapid end to the decline. During every recession thereafter, either by design or through circumstance, a deficit was crucial in containing and ending the decline. For example, tax reductions adopted in 1981 were not planned as a counter-recession tactic, but the enacted cut that took effect in 1982 was the key to the recovery that began in that year.

Floods in the Midwest, hurricanes in the Southeast, and earthquakes in California during recent years prompted the federal government to spend hundreds of millions to relieve suffering and limit damage. Scientists who study natural phenomena warn against worse disasters. The balanced budget amendment would keep the federal government from dealing with such calamities.

Occasional man made disasters have occurred throughout the history of capitalism—for example, the savings and loan debacle of the 1980s. Had the federal government not been able to provide the money to validate the deposits of millions of ordinary citizens, their losses and runs on saving and commercial banking institutions would have recreated 1932. To assume that financial crises will never recur is unrealistic.

The balanced budget amendment ignores the nature of our monetary system. The Federal Reserve and the commercial banks issue money against their holdings of federal debt. Under a balanced budget amendment, the debt will not increase. Eventually the system will not be able to create the money the economy needs in order to grow.

The Jerome Levy Economics Institute.

S JAY LEVY,
Chairman.
LEON LEVY,
President.
HYMAN MINSKY,
Distinguished Scholar.
DIMITRI PAPADIMITRIOU,
Executive Director.
EDWARD V. REGAN,
Distinguished Fellow.
DAVID A. LEVY,
Vice Chairman, Director of Forecasting.

Mr. CHAFEE. Mr. President, there is no greater problem facing the country today than our continual failure to balance the Federal budget.

Unfortunately, this is not a new phenomenon. Over the past 33 years we have balanced the budget once, one-quarter of a century ago in 1969. Had the Social Security program not generated a surplus, we would not have balanced the budget in that year either.

Furthermore, the forecasts put out by the Congressional Budget Office and the administration show that, absent

dramatic action on our part, these deficits will not end any time soon. For example, CBO predicts that the deficit in the year 2005 could be as high as $421 billion.

The President's budget, which was released early this month, forecasts Federal deficits of approximately $200 billion for each of the next 5 years, and gives no promise that they will decline anytime after that period. Even worse, the President has taken little action to address this problem.

In the President's plan, $81 billion of deficit reductions are relatively minor when it is realized those occur over 5 years; $60 billion of those cuts come from keeping discretionary spending at today's level.

Why is it bad that the Federal Government routinely spends more than it takes in?

We are told in soothing tones by the administration that the deficits are each year predicted to be a lower percentage of the gross domestic product. That is somehow meant to be grand news, even though the dollar amounts of the deficits constantly grow.

The problem is that every year we run a deficit, we must borrow to fund the shortfall. From the beginning of our country until today, we have incurred a debt of about $5 trillion, with the overwhelming portion of that accumulated over the past 15 years.

The cost of servicing that debt will total $339 billion in 1995, making interest the second highest single Federal expenditure after Social Security.

To put this number in perspective, our gross interest expense for 1995 is more than the entire Federal budget 20 years ago. Imagine how this money could be used to improve our education, or better our health care system, or bolster our efforts to combat crime.

Aside from diverting resources that could be used for much better purposes, the deficit also places a great strain on the national economy. The most notable effect is on interest rates.

Alan Greenspan, Chairman of the Federal Reserve Board, recently testified before the Finance Committee on this subject. According to Chairman Greenspan ''investors here and abroad are exacting from issuers of dollar-denominated debt an extra inflation risk premium that reflects not their estimate of the most likely rate of price level increase over the life of the obligation, but the possibility that it could prove to be significantly greater.'' This risk premium is directly the result of our large Federal budget deficits.

These artificially high interest rates affect all Americans. Families pay this risk premium when they borrow money for a home, for a new car, to finance their children's education.

The Federal deficit also has a negative effect on future economic growth. Our potential to expand the economy is directly linked to the amount we invest in physical and human capital. Newer and better machinery, and a work force whose skills are continually updated, provide the foundation for increasing our output of goods and services. With this higher productivity comes a higher standard of living.

To achieve this, however, we must have a pool of national savings from which this investment can be made. Unfortunately, our national savings rate has declined dramatically over the last decade, in part because the Federal Government has engaged in a policy of dissaving through its deficit spending. The Federal Government's reliance on borrowing to pay its bills crowds out the private sector, making it more difficult for it to obtain financing.

But the worse consequence of this fiscal irresponsibility is that we are jeopardizing the economic futures of our children and grandchildren. We are living beyond our means and passing along the bill to future generations.

I recently ran across a paper which described this problem. The paper discussed the idea of generational accounting, which a process of measuring how Government policies affect the distribution of income and wealth among different generations rather than simply over a 5- or 10-year budget period.

To make this comparison, the authors calculated lifetime net tax rates for various generations. My generation will face a lifetime net tax rate of 26 percent. This compares to a lifetime net tax rate of 34 percent for a person born in 1991.

What is troubling is the gloomy forecast for future generations. According to this analysis, if we do not take action to improve our fiscal situation, future generations will face lifetime tax rates that approach 70 percent. In other words, future generations can look forward to handing over 70 cents of each dollar earned to the Government if we do not reverse our present course.

For the past few years the administration has also included a generational analysis in its budget documents. Its analyses generated results that were similar to the figures just mentioned. Unfortunately, the President chose to delete this section from this year's budget.

Why will future generations face such a daunting tax bill? Consider the obligations we have levied upon them. The Social Security Program, while solvent today, faces drastic long-term problems once the baby-boom generation—born in the 1950's—retires. The surpluses, that the program is currently generating, will reverse in the year 2013 and will quickly evaporate, leaving workers in the middle of the next century with a hefty bill for providing retirement benefits for those working today.

On top of that, the general fund has amassed $5 trillion in debt to date and is likely to add $750 billion more even with the passage of the balanced budget amendment. At some point that debt must be repaid.

What exactly does the balanced budget amendment do? Very simply, it prohibits Federal outlays from exceeding Federal receipts unless a three-fifths majority of both Houses of Congress approve a specific deficit.

In other words, it says that Congress can only spend what it is willing to collect in taxes, unless Congress determines that there is a legitimate reason for running a deficit. Such a situation could arise, for example, if the country fell into a recession or was hit with a natural disaster. But those would be the exceptions which Congress would expressly authorize. The balanced budget constraint on Congress would be comparable to that which every American family faces.

Mr. President, this amendment makes fiscal responsibility the norm rather than the exception.

The Federal Government has failed to balance its budget for 25 straight years. Over this period there have been both Republicans and Democrats in the White House, and the Senate has had both Republican and Democratic majorities. Neither party is free from blame. The truth is, there has not been the will to make the tough decisions necessary to balance the budget

The amendment before the Senate today demands the same fiscal responsibility from the President that it establishes for Congress. It requires the administration to submit a budget to Congress in which outlays do not exceed receipts. I think that makes perfect sense. It recognizes that both branches of Government must participate in this very difficult task if we are to succeed.

In addition to requiring a balanced budget, the amendment requires a majority of the whole number of each House of Congress to approve, by a rollcall vote, legislation raising revenue. Frankly, this is not a critical component of this proposal, because historically most tax bills have passed Congress with constitutional majorities.

However, I am grateful that the sponsors have not sought to include a three-fifths majority requirement for raising revenue. That issue was considered and rejected by the House, and rightly so. That provision would be disastrous for this country, because it would significantly hamper our ability to govern. Facing a potential deficit, Congress would, in all likelihood, be forced to cut spending rather than raise revenue because the latter would be much more difficult to accomplish. While I support spending cuts over tax increases, it would be unwise for us to tilt the playing field against raising revenue as part of the Constitution. I would not support this amendment if the three-fifths majority for raising revenue were included in it.

The amendment includes a process whereby its requirements could be waived by a simple majority for any year in which a declaration of war is in effect or where the United States is engaged in military conflict which causes

an imminent threat to national security. I think those are legitimate circumstances to warrant deficit spending, and the amendment provides the appropriate amount of flexibility to adequately address them.

Mr. President, the amendment encompasses the entire Federal budget. Section 7 states that ''total receipts shall include all receipts of the United States Government except those derived from borrowing'' and that ''total outlays shall include all outlays of the United States Government except for those for repayment of debt principal.''

What this means is that every dollar that comes into the Treasury and every dollar that goes out of the Treasury will be counted in determining whether the budget is balanced.

Again, this makes eminent sense and is exactly the way every family in America must manage its fiscal affairs.

Much of the effort to derail this resolution has centered on excluding certain programs from the balanced budget requirement. In fact, this assault began during the amendment's consideration in the Judiciary Committee, when an effort was made to exclude Social Security.

Mr. President, I find it inconceivable that we would consider adopting, as part of the Constitution, an exclusion for Social Security or any other aspect of the federal budget. I am firmly behind protecting the fiscal soundness of the Social Security System, but I think it is absurd to exempt a program that represents 29% of all Federal receipts and 22% of all Federal outlays.

The true folly with this effort to protect Social Security is that by applying different rules to that program it becomes a magnet for efforts to circumvent the balanced budget amendment. Other federal programs will begin to find their way under the Social Security umbrella, and we will have achieved little if anything in the way of deficit reduction. This loophole, once opened, would be very difficult to shut.

Exempting Social Security receipts would also provide a perverse incentive for future Congresses to shift Social Security taxes revenues to the general fund. This action would be particularly attractive since the program currently collects more in revenue than it pays out in benefits. But such an action would seriously undermine the actuarial balance of the Social Security trust fund, and would almost certainly require draconian changes in the future in order to stave off bankruptcy when the baby boom generation retires. The irony of the exemption for Social Security is that, unless our fiscal house is in order, we won't be able to meet our Social Security obligations. And unless Social Security is factored into the balanced budget equation, we will not get our fiscal house in order.

Critics of the balanced budget amendment argue that it is a sham; that it avoids the rough choices required to balance the budget. I strongly disagree.

What it represents is the first and most important step in a long and very difficult journey to fiscal responsibility. It symbolizes that the tides have finally changed; that we are committed to living within our means, and that we are willing to embody that principle in the document that sets forth the foundation on which our whole system of government operates.

Other fiscal disciplines we have enacted, while important, have not done the job. The Gramm-Rudman-Hollings deficit control laws, the firewalls, the discretionary spending caps, and the pay-as-you-go rules have failed to break the attractive lure of deficit spending.

Opponents have argued that we should not pass a balanced budget amendment until its supporters outline specifically how we plan to reach that goal. That was the so-called right-to-know amendment to the resolution before us. But this is simply a smokescreen thrown up by those in this Chamber who have no intention of supporting this proposal, whether or not a plan is outlined.

The fact is, there is no agreed upon path to reaching a balanced budget. The path that I would prescribe is likely to be different than the paths that other members might advance. Any plan that will be adopted to reach this goal, will be the product of numerous compromises and the give and take of the normal political process. All of that will take place once the requirement is established. The appropriate time frame for outlining how to balance the budget is after we have committed ourselves to making that the law of the land. It is the process that we are trying to change with this proposal.

To those who do not support the resolution before us I ask: What is your plan? Are you content with the current situation where annual deficits exceed $200 billion for the foreseeable future? Do you believe that if we put this problem off for another day, it will get easier? Do you believe that we are improving our children's futures by dropping this massive debt in their laps?

Mr. President, every previous effort to balance the budget without an amendment to the Constitution—that is, by statute—has failed to achieve that goal.

Why has that been the case? The answer is simple.

Once the targets become too difficult to meet, we simply changed the law. This resolution makes it difficult for us to avoid our responsibility. The task is monumental, but the consequences for our failure are far worse. If this amendment is defeated, the ones who will be hurt the most are the future generations of our nation.

Ms. SNOWE. Mr. President, as I have done on so many previous occasions in Congress, I rise today in strong support of a balanced budget amendment to the Constitution of the United States.

It is my hope—and that of the American people—that we will pass this amendment tomorrow and begin to chart a new course for this Nation.

And there is now question that our Nation needs to change direction—both politically and economically, and put an end to the fiscal status quo. That message was made clear to all of us after the results of last November's elections. It is time to hear and act on that clarion call for change.

Tomorrow, we will have a chance to put to an end some of the hallmarks, some of the monuments, of America's status quo: our growing national debt and annual deficits.

I graduated from the University of Maine in 1969, and since the day I graduated, Congress has been unable—even unwilling—to pass one Federal budget that would have brought revenues in line with expenditures. That's right—we have not experienced one balanced budget since 1969, 26 years ago. It is almost hard to believe that we haven't passed a balanced budget since the year America put a man on the Moon. But with today's $4.7 trillion debt, we could walk to the Moon and back on a bridge of dollars bills stacked end to end from that debt.

As I have said before, this 26-year dry stretch represents one of our Nation's worst losing streaks, and it is Congress' very own fiscal losing streak.

But, today, we stand at the precipice of monumental change—the kind of change the American people voted for last November. The kind of desire for change that brought me here to this Chamber as a U.S. Senator. Today's vote on this measure will help the American people, ''to know the change and feel it,'' in the words of the English poet, John Keats.

Today is our opportunity to rise to the occasion and meet the expectations of the citizens of this country, or, we merely do nothing and uphold the malaise of economics-as-usual.

Passing the balanced budget amendment will help restore a lost sense of confidence and trust that our institutions of Government have been lacking for the past generation. Tomorrow's vote marks our generations' chance to make a positive difference for all other future generations of Americans. And as we act on this proposal, we should remind ourselves that what we do—or do not do—tomorrow on the floor on this amendment affects a generation that currently has no say, no voice, and no vote.

But they will pay the price. They will foot the bill. They will bear a terrible burden.

While today's vote has the promise of marking a new beginning for America, we must understand that it is only part of the means to the end—not the end of the process itself. If and when we decide to pass this balanced budget amendment, we begin a process that our Founding Fathers envisioned to be

in the best interest of democracy and the welfare of the American people.

Let us be clear about one thing: with tomorrow's vote, we will not be ratifying the balanced budget amendment. We will merely be giving the 50 States the opportunity—the chance—to ratify the amendment before us. Congress has an obligation and a responsibility to let the American people's voice be heard throughout the Nation, in every state capital. Seventy-eight percent of the American people support the balanced budget amendment, according to a recent survey by KRC Research and Consulting. Nearly three-quarters of all Democrats—73 percent—support the amendment, 88 percent of all Republicans, and 79 percent of all unenrolled voters.

Mr. President, I am confident that, when given the chance, the States and the American people will say ''yes'' to a new regimen of spending within our means; they will say ''yes'' to fiscal responsibility, they will say ''yes'' to putting our Nation's fiscal house in order on a permanent basis, and they will say ''yes'' to a Congress accountable to them and their needs.

After almost 4 weeks of continuous debate in the Senate and almost 13 years after this Chamber passed this same measure by one vote, and after 26 years of continuous deficits and growing debts, it is hard to believe we have again come to this point.

We have arrived at this juncture not necessarily by choice, but because economic and financial circumstances have compelled us to act. Our failure to take responsible action to end years and years of spiralling debt and deficit spending in the past is forcing our hand today. But make no mistake about it, tomorrow's vote is about tomorrow's generation.

Although the figures and statistics about our debts and deficits have often been mentioned during Senate debate on the balanced budget amendment, they bear repeating once again in order to show the American people—and opponents of this measure—the devastating costs of our fiscal irresponsibility and lack of action.

I think the American people and opponents of this measure need to be reminded that, since 1980, our national debt has grown from $1 trillion to a staggering $4.7 trillion for a growth rate of 309 percent. And our national debt is expected to grow to a whopping $6.3 trillion by 1999, for a growth rate of 453 percent since 1980. And an astounding 17 percent of our national debt—$800 billion—is held by other nations or people in other nations—so even control over our own indebtedness has been handed to foreign banks and foreign creditors.

The American people and opponents of this measure need to be reminded that in the next 5 years alone, the personal burden of this debt and these interest payments for every American man, woman, and child will rise from $17,938 to $22,909—that's growth of nearly $5,000 in just 5 years.

In fact, it should be pointed out that the Office of Management and Budget has already estimated that if we continue our current cycle of deficit spending, future generations—those who will inherit a Nation beset by fiscal problems we could not solve—will be forced to suffer a tax rate of 82 percent in order to pay the bills we left behind.

The American people and opponents of this measure need to be reminded that the annual interest we pay on our ever-increasing national debt has grown almost exponentially, rising from $177 billion in 1982—the only year when the Senate passed this measure—to almost $300 billion in 1994. And our annual interest payments are expected to balloon to $373 billion in 1999, for a 219-percent growth rate between 1982 and 1999.

To appreciate the impact of interest costs on our annual deficits, one only need look at the chart behind me. If we continue our current fiscal course, the interest costs related to servicing the debt will continue to exceed our total annual deficits.

The American people and opponents of this measure need to be reminded that every day, we add $819 million in daily interest to the national debt. That figure will rise to $1 billion in interest every single day of the year. In fact, as I speak here for about 8 minutes on behalf of the balanced budget amendment, we will have added almost $5 million to the debt. Unfortunately, even when I do stop speaking, the debt keeps on growing—and growing, and growing like the ''Energizer Bunny of our fiscal irresponsibility.''

The American people and opponents of this measure need to be reminded that these interest payments on the debt already consume 14 percent of our annual Federal budget. These interest payments consume 57 percent of all personal income taxes each year, while the interest payments we make on our debt are eight times higher than what we spend on our children's education, 50 times higher than what we spend on job training for our workers, and 55 times higher than what we spend on Head Start programs. With these interest payments out of the way, Congress can finally prioritize its spending to where the American people want their tax dollars to be spent.

The American people are painfully aware that the estimates of future deficits aren't getting any smaller no matter how much Congress procrastinates its fiscal discipline. Only a few months ago, the Congressional Budget Office told Congress that the estimated deficit in the current fiscal year would reach $162 billion, steadily rise upward to $197 billion by 1998, and climb again to $257 billion in the year 2000, and $319 billion in 2002.

The CBO now estimates that the deficit will be higher than prior projections by an average of $25 billion per year over the next 5 years. This year's deficit has already been increased to $176 billion, $222 billion in 1998, $284 billion in 2000, and $421 billion in 2005. Not only that, but between now and 2002, we will add a cumulative total of nearly $2 trillion to the existing debt if we make no change in fiscal policy.

But the American people also need to know that these numbers have a direct impact on their lives and on the future of their families. And they need to know that a balanced budget amendment would have a positive impact on their futures and on the economy of the Nation.

The New York Federal Reserve Board, in an often referred to study, showed how America lost five percent growth in gross domestic product—a loss in economic growth that translates into a 3.75 million job loss during the decade spanning 1979 and 1989—jobs in rural America, jobs in our inner cities, jobs on America's farms, and jobs for America's youth.

The Concord Coalition study showed that a loss of national productivity has caused a sharp decline in America's family incomes, resulting in an average family income of $35,000 rather than the estimated $50,000 it would have been in the absence of our structural deficits and burgeoning debt.

In June 1992, the General Accounting Office released a report showing a gradual decline in America's quality of life and standard of living if our deficit spending is not brought under control. But the report also showed that if we did balance the budget by the year 2001, then by the year 2020 the average American will have real growth in quality of life and income by 36 percent.

The econometrics firm DRI/McGraw Hill reported that a balanced budget is worth $1,000 a year to the average American household over the next 10 years. A balanced budget would boost long-term economic growth: national interest rates would drop by 2.5 percent and by the year 2002, half the savings that is said to be needed in our budget simulations could come from lower interest costs.

So the balanced budget amendment is not a gimmick—it does yield positive results. Most importantly, it puts into law what Congress has been unable and unwilling to do for the past two decades: that is, muster the courage and discipline necessary to balance the budget without an amendment to the Constitution.

Over the years—and often to stem the tide toward a balanced budget amendment—Congress has tried to balance the budget through statutory means. And on each and every one of these efforts Congress has failed.

The simple fact is statutory laws are easy to ignore. They are a paper tiger. During the past 26 years, Congress has operated without this amendment, but with eight statutes designed to lower or eliminate deficits. Looking at this chart, it is clear what the results have

been. Passing this amendment is the only way—our last choice, our last resort—to put our fiscal house in order.

I share the sentiments of whose who say Congress should be able to balance the budget without a constitutional amendment. But it is also said that you can learn from history. Mr. President, if the past 26 years have taught us anything, it is that Congress and the President are unwilling and unable to balance the budget absent a force greater than politics. That force is the Constitution of the United States.

If the states ratify this amendment, Congress will be beholden to a law with as much weight as the original Bill of Rights. Congress will be prohibited from ignoring annual deficits. We will be compelled by law to act. Each of us in this Chamber will have a duty to follow our solemn oaths of office to uphold and protect the Constitution. When we pass this measure, we will be beholden to following through on that oath.

Mr. President, today we can make history. Today, we should make history. We can make history by molding a better, brighter future for the next generation and for every generation thereafter. I hope today we will make the right kind of history, and chart a new course for America, one where balanced budgets and fiscal responsibility become the norm, and not the exception to the rule.

VICE PRESIDENT AND BALANCED BUDGET AMENDMENT

Mr. HATCH. Mr. President, the issue arises as to how House Joint Resolution 1 effects the obligations of the Vice President, as President of the Senate, to vote in case of a tie vote in the Senate.

Article I, section 3 of the Constitution provides that the ''Vice President shall be President of the Senate, but shall have no Vote, unless they be equally divided.'' By the plain meaning of this provision, the Vice President is not a Member of the Senate; he is merely the presiding officer—President of the Senate—a neutral umpire, and, thus, cannot vote or take part in the deliberations of the Senate. The only exception to this is where there exists a tie vote. In that case, to ''secure at all times the possibility of a definitive resolution of the body, it is necessary that the [Vice President] should have only a casting vote.'' *The Federalist No. 68* (Hamilton).

But the situation where the Vice President can break a tie vote only applies to a simple majority vote, the run-of-the-mill ordinary vote of the Senate. Where the Constitution, however, provides for a ''supermajority'' vote, in situations where the Framers of the Constitution feared the passions of majority rule would retard reasoned deliberation, there really is no occasion for a tie vote and therefore the Vice President may not vote.

These include the two-thirds vote requirement of each House to override a veto; the two-thirds vote requirement of the Senate to give its advice and consent to treaties; and the two-thirds vote requirement of the Senate to convict on impeachment.

The balanced budget amendment's supermajority provisions, whether the three-fifths number of the whole number of each House of Congress [sec. 1 waiver to allow outlays to exceed receipts; sec. 2 waiver to increase the limit on the debt], or the ''constitutional majority'' provisions—a majority of the whole number of each House—[sec. 4 requirement to raise revenue; sec. 5 requirement to waive amendment when the U.S. is involved in a military action that is a threat to national security]—would work the same way as the Constitution's other supermajority provisions.

Because these ''supermajority'' votes require a supermajority vote of the ''whole number of each House of Congress,'' and it is clear that the Vice President is not a member of either House, these provisions, like the two-thirds vote in the Senate for treaties, are exceptions to the simple majority vote general rule that the Vice President may vote in cases of a tie in the Senate.

Moreover, the Vice President would not have a vote because these supermajority provisions would mandate that a tie-vote would be meaningless. For instance, 60 votes in the Senate would be required to raise the debt ceiling—where three-fifths is required under section 2 of the amendment, and 51 votes would be needed to raise taxes, as required by section 4.

Mr. SPECTER. Mr. President, I have sought recognition to comment briefly on the issue of the potential issue of the jurisdiction of the Federal courts to decide matters under the constitutional amendment for a balanced budget if it is passed and ratified. I think it is important that courts not have jurisdiction to intervene in any controversy where the issue is the raising of taxes or the cutting of expenses, which would be the issues under the balanced budget amendment, because it is not a judicial function.

I think the preferable course is to have within the body of the amendment itself a flat statement that the Federal courts—no courts—would have jurisdiction over any controversy arising out of the balanced budget amendment.

We have seen in a case originating in Kansas City, MO, the State of the distinguished Presiding Officer, a situation where the courts actually ordered the imposition of taxes which, in my view, is not in any conceivable regard a judicial function. If there is any core legislative function, it is the raising of taxes. We elected officials are responsible to our constituents, and that is a core legislative function. But it happened and it was upheld by the Supreme Court of the United States in the celebrated 5-to-4 decision a few years ago.

There is a major issue as to whether the Congress has the authority, through legislation, to take away the jurisdiction of the Supreme Court or the Federal courts on a constitutional issue. There is a post-Civil War case, ex parte McCardle, which suggests that Congress has that jurisdiction. In my legal judgment, that case is not valid for any matter which is current today.

I believe that it is very unwise for the Congress to have legislative authority to take away the jurisdiction of the Supreme Court of the United States, for example, on a first amendment issue. That was a matter which was discussed extensively during the confirmation proceedings of Chief Justice Rehnquist, when after some discussion Chief Justice Rehnquist concluded that the Congress would not have the authority to take away the jurisdiction of the Federal courts on a matter involving the first amendment. When we got to other amendments, the fourth amendment, fifth amendment and sixth amendment, Chief Justice Rehnquist would not give the same response, nor would he respond to the difference of the authority of Congress to take away jurisdiction of the first amendment contrasted with the fourth, fifth or sixth amendments.

I give that very brief review to suggest that there may well be a question as to whether the Congress, through enabling legislation, could take away the jurisdiction of the courts to intervene on a controversy arising out of this balanced budget amendment. It is my hope that we will yet address that issue within the confines of the amendment itself. It may well be that critical votes necessary to pass the balanced budget amendment will depend upon our ability to find a way to satisfy those Senators. I believe that it is so important to pass the constitutional amendment for a balanced budget that I continue to support the amendment, even though an amendment offered to the constitutional amendment for a balanced budget failed in an effort to put within the balanced budget amendment itself a prohibition of Federal court jurisdiction. It gets sort of complicated when we talk about it, Mr. President.

I think the factors are clear. I think that our legislative history is clear. Aside from putting in a prohibition of Federal court jurisdiction, our legislative history is clear that it is congressional intent on the balanced budget amendment that the Federal courts should not have jurisdiction. But even the question of congressional intent is a muddy field, with some Justices—notably, Justice Scalia—saying he will not look to congressional intent but only to the body of the language itself.

So I will conclude by saying that I hope we have made it clear as a matter of Senate intent, congressional intent, that the courts should not have jurisdiction over any controversy under the balanced budget amendment, and with the extra hope that we may make it

plain in the body of the amendment itself before we conclude.

I yield the floor.

Mr. SARBANES addressed the Chair.

The PRESIDING OFFICER. The Senator from Maryland.

Mr. HATCH. Will the Senator yield for just a unanimous-consent request?

Mr. SARBANES. Yes.

Mr. HATCH. Mr. President, I ask unanimous consent that ''A Balanced Budget Amendment,'' an open letter to Congress from all kinds of economists, doctors of economics, be printed in the RECORD. And I also ask unanimous consent that a column by William Safire on this matter also be printed in the RECORD.

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

BALANCED BUDGET AMENDMENT—AN OPEN LETTER TO CONGRESS, FEBRUARY 1995

It is time to acknowledge that mere statutes that purport to control federal spending or deficits have failed. It is time to adopt constitutional control through a Balanced Budget Amendment. In supporting such an amendment, Congress can control its spending proclivities by setting up control machinery external to its own internal operations, machinery that will not be so easily neglected and abandoned.

Why do we need the Balanced Budget Amendment now, when no such constitutional provision existed for two centuries? The answer is clear. Up until recent decades, the principle that government should balance its budget in peacetime was, indeed, a part of our effective constitution, even if not formally written down. Before the Keynesian-inspired shift in thinking about fiscal matters, it was universally considered immoral to incur debts, except in periods of emergency (wars or major depressions). We have lost the moral sense of fiscal responsibility that served to make formal constitutional constraints unnecessary. We cannot legislate a change in political morality, we can put formal constitutional constraints into place.

The effects of the Balanced Budget Amendment would be both real and symbolic. Elected politicians would be required to make fiscal choices within meaningfully-constructed boundaries; they would be required to weigh predicted benefits against predicted tax costs. They would be forced to behave ''responsibily,'' as this word is understood by the citizenry, and knowledge of this fact would do much to restore the confidence of citizens in governmental processes.

It is important to recognize that the Balanced Budget Amendment imposes procedural constraints on the making of budgetary choices. It does not take away the power of the Congress to spend or tax. The amendment requires only that the Congress and the Executive spend no more than what they collect in taxes. In its simplest terms, such an amendment amounts to little more than ''honesty in budgeting.''

Of course, we always pay for what we spend through government, as anywhere else. But those who pay for the government spending that is financed by borrowing are taxpayers in future years, those who must pay taxes to meet the ever-mounting interest obligations that are already far too large an item in the federal budget. The immorality of the intergenerational transfer that deficit financing represents cries out for correction.

Some opponents of the Balanced Budget Amendment argue that the interest burden should be measured in terms of percentage of national product, and, so long as this ratio does not increase, all is well. This argument is totally untenable because it ignores the effects of both inflation and real economic growth. So long as government debt is denominated in dollars, sufficiently rapid inflation can, for a short period, reduce the interest burden substantially, in terms of the ratio to product. But surely default by way of inflation is the worst of all possible ways of dealing with the fiscal crisis that the deficit regime represents.

Opponents also often suggest that Congress and the Executive must maintain the budgetary flexibility to respond to emergency needs for expanding rates of spending. This prospect is fully recognized, and the Balanced Budget Amendment includes a provision that allows for approval of debt or deficits by a three-fifths vote of those elected to each house of Congress.

When all is said and done, there is no rational argument against the Balanced Budget Amendment. Simple observation of the fiscal record of recent years tells us that the procedures through which fiscal choices are made are not working. The problem is not one that involves the wrong political leaders or the wrong parties. The problem is one where those whom we elect are required to function under the wrong set of rules, the wrong procedures. It is high time to get our fiscal house in order.

We can only imagine the increase in investor and business confidence, both domestic and foreign, that enactment of a Balanced Budget Amendment would produce. Perhaps even more importantly, we could all regain confidence in ourselves, as a free people under responsible constitutional government.

Dr. Burton A. Abrams, University of Delaware; Dr. Ogden Allsbrook, Jr., University of Georgia; Dr. Robert Andelson (Ret), Auburn University; Dr. Annelise Anderson, Stanford University; Dr. Terry L. Anderson, Political Economy Research Center; Dr. Richard Ault, Auburn University; Dr. Charles Baird, California State University—Hayward; Dr. Charles Baker, Northeastern University; Dr. Doug Bandow, Cato Institute; Dr. Eric C. Banfield, Lake Forest Graduate School of Management;

Dr. Andy Barnett, Auburn University; Dr. Carl P. Bauer, Harper College; Dr. Joe Bell, SW Missouri State; Dr. James Bennett, George Mason University; Dr. Bruce L. Benson, Florida State University; Dr. John Berthoud, National Taxpayers Union; Dr. Michael Block, University of Arizona; Dr. David Boaz, Cato Institute; Dr. Peter J. Boettke, New York University; Dr. Jeffrey Boeyink, Tax Education Foundation;

Dr. Cecil Bohanon, Ball State University; Dr. Donald J. Boudreaux, Clemson University; Dr. Samuel Bostaph, University of Dallas; Dr. Dennis Brennen, Harper College; Dr. Charles Britton, University of Arkansas; Dr. Eric Brodin, Foundation for International Studies; Dr. Richard C.K. Burdekin, Claremont McKenna College; Prof. M.L. Burnstein, York University; Dr. Henry Butler, University of Kansas; Mr. Ian Calkins, American Legislative Exchange Council;

Dr. W. Glenn Campbell, Hoover Institute; Dr. Keith W. Chauvin, University of Kansas; Dr. Betty Chu, San Jose State University; Dr. Will Clark, University of Oklahoma; Dr. J.R. Clarkson, University of Tennessee; Dr. Kenneth Clarkson, University of Miami; Dr. J. Paul Combs, Appalachian State University; Dr. John Conant, Indiana State University; Dr. John F. Cooper, Rhodes College; Mr. Wendell Cox, American Legislative Exchange Council;

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Dr. Paul Gregory, University of Houston; Dr. Gerald Gunderson, Trinity College; Dr. James Gwartney, Florida State University; Dr. Claire H. Hammond, Wake Forest University; Dr. Daniel J. Hammond, Wake Forest University; Dr. Ronald W. Hanson, University of Rochester; Dr. David R. Henderson, Hoover Institution; Dr. Robert Herbert, Auburn University; Dr. A. James Heins, University of Illinois; Dr. John Heinke, Santa Clara University;

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Dr. Alan B. Mandelstamm, Roanoke, Virginia; Dr. George Marotta, Hoover Institute; Dr. J. Stanley Marshall, The James Madison Institute; Dr. Merrill Mathews, Jr., National Center for Policy Analysis; Dr. Richard B. Mauke, Tufts University; Dr. Margaret N. Maxey, University of Texas—Austin; Dr. Thomas H. Mayor, University of Houston; Dr. Paul W. McAvoy, Yale University School of Management; Dr. Robert McCormick, Clemson University; Dr. Paul McCracken, University of Michigan;

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Dr. Steve Pejovich, Texas A&M University; Dr. Timothy Perri, Appalachian State University; Dr. William S. Pierce, Case Western Reserve University; Dr. Sally Pipes, Pacific Research Institute; Dr. Yeury-Nan Phiph, San Jose State University; Dr. Rulon Pope, Brigham Young University; Dr. Robert Premus, Wright State University; Dr. Jan S. Prybyla, Pennsylvania State University; Dr. Alvin Rabushka, Stanford University; Dr. Don Racheter, Central College;

Dr. Ed Rauchutt, Bellevue University; Dr. Robert Reed, University of Oklahoma; Dr. John Reid, Memphis State University; Dr. Barrie Richardson, Centenary College; Dr. H. Joseph Reitz, University of Kansas; Dr. James Rinehart, Francis Marion University; Dr. Mario Rizzo, New York University; Dr. Jerry Rohacek, University of Alaska; Dr. Simon Rottenberg, University of Massachusetts; Dr. Roy J. Ruffin, University of Houston; Mr. John Rutledge, Rutledge & Company Inc.;

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Dr. Daniel Slottje, Southern Methodist University; Dr. Gene Smiley, Marquette University; Dr. Barton Smith, University of Houston; Dr. Lowell Smith, Nichols College; Mr. Robert Solt, Iowans for Tax Relief; Dr. John Soper, John Caroll University; Dr. Michael Sproul, U.C.L.A.; Dr. Richard Stroup, Montana State University; Dr. Michael P. Sweeney, Bellarmine College; Prof. Ronald Teeples, Claremont McKenna College; Dr. Clifford Thies, University of Georgia; Dr. Roy Thoman, West Texas State University;

Dr. Henry Thompson, Auburn University; Dr. Mark Thornton, Auburn University; Dr. Walter Thurman, North Carolina State University; Dr. Richard Timberlake, University of Georgia; Dr. Robert Tollison, George Mason University; Prof. George W. Trivoli, Jacksonville State University; Dr. Leo Troy, Rutgers University; Dr. Gordon Tullock, University of Arizona; Dr. Norman Ture, Institute for Research on the Economics of Taxation; Dr. Jon G. Udell, University of Wisconsin;

Dr. Hendrik Van den Berg, University of Nebraska; Dr. T. Norman Van Cott, Ball State University; Dr. Charles D. Van Eaton, Hillside College; Dr. Richard Vedder, Ohio University; Dr. George Viksnins, Georgetown University; Dr. Richard Wagner, George Mason University; Dr. Stephen J.K. Walters, Loyola College (MD); Dr. Alan R. Waters, California State University; Dr. John T. Wenders, University of Idaho; Mr. Brian S. Wesbury, Joint Economic Committee; Dr. Allen J. Wilkins, Marshall University; Dr. James F. Willis, San Jose State University; Dr. Gene Wunder, Washburn University; Dr. Bruce Yandle, Clemson University; Dr. Jerrold Zimmerman, University of Rochester.

[From the Essay]

BALANCE THAT BUDGET

(By William Safire)

Back in 1972, when the Federal budget reached $245 billion, Congress took a look at that year's deficit—$15 billion—and decided the budget was out of control.

Wilbur Mills, chairman of House Ways and Means, took emergency action: he rammed through a bill delegating to the President the power to cut the budget any way he wanted when it exceeded $250 billion.

President Nixon was ready, but the Senate was not; in blocking that radical action, which would have transferred more power than the line-item veto, senators argued that ''there is no reason we cannot cut the budget deficit ourselves.''

They failed. During the Carter Administration, with national debt mounting, Virginia Senator Harry Byrd proposed an even more Draconian bill to balance the budget, and this one passed both houses and was signed into law. P.L. 95–435 stated: ''Beginning with Fiscal Year 1981, the total budget outlays of the Federal Government shall not exceed its receipts.''

Brave words. Because subsequent laws control, the mere passage of a deficit budget for 1981 nullified the Byrd law. Then came the Gramm-Rudman Act in the mid-80's, supposedly imposing real fiscal discipline for our generation; all that remains of that pass at self-restraint is Phil Gramm running for President saying he told us so.

Thus is demonstrated that budget-balancing statutes are hot air, and our experience shows that all protestations about a ''responsible'' Congress someday balancing the budget are groundless.

Meanwhile, the national debt has soared from a piddling $373 billion when Wilbur Mills sought drastic action to $5 trillion today. The interest we must pay on that debt now exceeds all we spend on national defense.

Worse, from the perspective of the budget our children will have to face, these are the good old days. Their tax dollars will be consumed by paying interest on the deficits we run today, leaving nothing for their own good life. They will condemn their parents' current profligacy as cruelly reckless.

That's why the Gingrich House has already passed the Balanced Budget Amendment to the Constitution as the centerpiece of its contract, and why four out of five Americans support its passage when the vote comes up in the Dole Senate tomorrow.

A third of the Senators could block it; minority rule is still possible.

With all Republicans except Mark Hatfield united behind the balancing amendment, and with most Democrats opposing such deficit demolition, key votes among the undecided are Senators Byron Dorgan and Kent Conrad. Never has so much of the nation's future rested on the decision of two guys from North Dakota.

Another potential savior of liberal spenders is Sam Nunn of Georgia who wants ironclad guarantees that the amendment will not be enforceable in court, lest some Federal judge wind up as de facto budget director.

But an unenforceable law would mock the Constitution. Let the legislative history show that in the event of imbalance, the Congress and the states intend any judicial injunction to apply to all spending and taxing as a lump, with no discretion left to judges to choose which spending to cut. If enjoined by the court from running a red-ink government at all the Congress would be forced to do its duty and balance the budget.

A few points for the gentlemen from North Dakota:

1. By voting yes, they would empower the people back home (including North Dakotans and Georgians) to join in deciding this great question; 75 percent of the states must vote to ratify or the amendment fails.

2. If the pendulum of public opinion swings, a future generation can choose new taxes over spending cuts as a means of balancing the nation's accounts. There's room for a shift back to activist government centralized in Washington, if that's what our children want.

3. President Clinton has just surrendered to red ink. His own pusillanimous budget, which makes not even the easy choices, helplessly projects another trillion in debt—and that assumes his rosy economic projections come true.

That last item is the crusher. Publicly bowing to personal and political defeat by the deficit, Mr. Clinton has turned the budget helm over to Congress. That branch has demonstrated how it needs to lash itself to the mast of the Constitution.

The PRESIDING OFFICER. The Senator from Maryland.

Mr. SARBANES. Mr. President, a good deal of the debate thus far has failed to focus on what I regard as one of the most important factors to be considered as we address this amendment to the Constitution—how the balanced budget amendment might affect the economy. What impact will the amendment have on jobs, on incomes, and on the long-term standards of living of the American people.

It is my strongly held view that a balanced budget amendment could, under certain economic circumstances, cause significant harm to the economy. Requiring a balanced budget in each and every year, as this proposed amendment requires, regardless of the economic situation, would hamper the ability of the Federal Government to lessen the impact of recessions.

A balanced budget amendment would make economic recessions more severe than they might otherwise be. The reason for that is that currently the Federal budget helps to lessen the impact of recessions through what are called automatic stabilizers.

These automatic stabilizers allow spending to increase and revenue to fall during times of economic hardship. When the economy goes into a downturn, headed toward a recession, the automatic stabilizers start to work.

Spending on Federal Government programs, such as unemployment compensation and food stamps, automatically increase as the economy goes into recession, as more people lose their jobs and become eligible for these programs.

In addition, as people earn less money as a result of a recession, they pay less in taxes. The way our system is currently constructed, these changes in spending and taxes occur automatically. These automatic stabilizers reduce the damage done to the American economy and to American families by the recession.

The balanced budget amendment would force the Government to raise taxes and to cut spending in recessions, at just the moment that raising taxes and cutting spending will do the most harm to the economy and aggravate the recession; in other words, it would work directly counter to cushioning or ameliorating the impacts of the recession.

This chart shows the percent change in gross domestic product, beginning back in the 1880's and coming forward to the present. Since World War II and the concept of automatic stabilizers we have lessened the severity of economic downturns. As a consequence of the economic downturn there was greater job loss and less revenue into the Treasury. There were also increased expenditures out of the Treasury for unemployment insurance and for medical care and food stamps. The increased expenditures and loss of revenue allow a deficit to take place in an economic downturn and work to support incomes and stimulate the economy.

In the post-World War II period, we have allowed that to happen without trying to balance the budget in an economic downturn. Prior to World War II we tried to balance the budget in an economic downturn. President Hoover did it before the Great Depression.

Previously, when we tried to do this, the business cycle went through tremendous fluctuations. Prior to economic stabilizers the growth in the economy would go from boom to bust. We used to have very deep valleys of negative growth. In fact, during the Depression, we had 15-percent negative growth. From 1929 to 1933 we had a 30-percent drop in our gross national product, almost a one-third drop in gross national product.

So prior to World War II, we had these tremendous fluctuations, and in the postwar period, using the automatic stabilizers, we have been able to effectively eliminate periods of negative growth. We still have fluctuations, but they are much shallower and most of them have taken place above the positive growth line.

In fact, Charles Schultze, in testimony he gave concerning the balanced budget amendment said, and I quote him:

> A balanced budget amendment would be bad economics. Federal revenues automatically fall and expenditures for unemployment compensation rise when recessions occur. The deficit necessarily rises. This budgetary behavior is a very important economic stabilizer. It helps sustain private incomes during recession and thus keeps sales, employment and production better maintained than they otherwise would be.

And he goes on to state:

> The American economy in the postwar years has been far more stable than it was between the Civil War and the Second World War, even if we exclude the Great Depression from the comparison. In the period between the Civil War and the First World War, the American economy spent about half the time in expansion and half in contraction.
>
> In the period since 1946, the economy spent 80 percent of the time expanding and only 20 percent contracting. In the years after the Second World War, fluctuations in the American economy around its long-term growth trend were only half as large as they were in the period 1871 to 1914. Many people who have studied the period, credit an important part of the increased economic performance to the automatic stabilizing characteristics of the Federal budget.

Under the proposed constitutional amendment, this stabilizing force would be seriously threatened. The first year of a recession would turn an initially balanced budget into deficit, but under the proposed constitutional amendment, the Congress would be required to bring the budget back into balance by large tax increases or spending cuts imposed as the recession was still underway.

Of course, to do that would only drive the recession downward and move the economy even deeper, deeper into these valleys.

Let me just talk a little bit about how the fiscal stabilizers work in terms of keeping income up during an economic downturn.

This chart illustrates how automatic stabilizers work.

Between the second quarter of 1990 and the fourth quarter of 1991, real personal income from all sources before taxes and without transfers fell by 2 percent.

In other words, we went into an economic slowdown, and personal income began to decline. Transfer payments including unemployment insurance, food stamps, and medical care increase. These payments do not increase incomes up to the level that they were earning, but it gives them a percentage of what they were earning so they are not completely wiped out. They have some income continuing to come in.

So as you start this deep decline in wages, families were able to keep up their after-tax income and after-transfer income. So these payments offset or cushioned what was happening as a consequence of the recession. The reason this happens is that Government fiscal policy helps to stabilize incomes.

During the 1990–92 recession family incomes before taxes and before any transfer income fell by $70 billion, but their incomes after taxes and with the transfer income rose by $92 billion. So we were able to cushion the economic downturn, and we did it because we got income support from these fiscal stabilizers. You get direct income support through unemployment insurance, and you get a decrease in the tax burden as a consequence of the economic slowdown.

Now, had the balanced budget amendment been in effect, these income stabilizers would not have been available, real disposable incomes of American families would have been almost $100 billion lower, and the recession would have been much, much deeper. It is for this reason that an article in the New York Times only a few days ago said, and I quote its heading, ''The Pitfalls of a Balanced Budget, Dismantling a Decades Old System for Softening Recessions.'' The article goes on to say, and I quote it:

> If the amendment is enacted, the side effects would be huge. A system that has softened recessions since the 1930's would be dismantled.

And further on, the article states:

> The biggest risk is to the Nation's automatic stabilizers which have made recessions less severe than they were in the century before World War II. The stabilizers work this way: When the economy weakens, outlays automatically rise for unemployment pay, food stamps, welfare and Medicaid. Simultaneously, as incomes fall, so do corporate and individual income tax payments. Both elements make more money available for spending, thus helping to pull the economy out of its slump.

Now, we would run the risk, without the automatic stabilizers which help to offset the downturn, of putting the economy back in the boom-and-bust cycle which was particularly marked in the late 1800's and through the first half of this century and which prompted the comments made by Charles Schultze with respect to how we have managed to offset the economic downturns since the end of World War II. As he pointed out in his statement, the American economy in the postwar years, post-World War II years, has been far more stable than it was between the Civil War and the Second World War. And as he states, ''Many people who have studied the period credit an important part of the improved economic performance to the automatic stabilizing characteristics of the Federal budget.''

Some of my colleagues have argued, we can waive the amendment with 60 votes. I do not know of constitutional principles that are waivable, but they say we will come along and we will get a 60-vote supermajority and we will waive the requirement of an annual balance in order to address the recessionary situation.

The difficulty with this is that the automatic stabilizers work automatically, and they take effect immediately. The stabilizers, which prevent these deep fluctuations, begin as soon as the economy softens. They begin before the economic downturn is generally recognized.

Various votes have been cited in the Chamber by others who say, we took a vote and extended the unemployment insurance, and this vote passed by a

large majority, so clearly if we were into difficulties, we will get the majorities necessary in order to waive the balanced budget amendment and run the deficit to offset the recession.

The first point I wish to make is that we have not always gotten those votes for the extension of unemployment insurance. In the 1982 recession, for example, there was a vote that failed to get the 60-vote requirement. So it is not accurate to say that whenever the issue is presented, the Congress has always responded—and particularly not responded in a timely fashion.

Second, those votes that people cite are votes for a further extension of unemployment insurance beyond what the basic program provides by law. But the application of the fiscal stabilizers begins with the use of the basic program. There is no vote taken here to institute the basic program. The basic program begins automatically as the economy slows down, and we rely upon that basic program to cushion the economic downturn.

If the economic downturn is severe, there is a necessity to extend the basic program. On that extension, it has on occasion been approved by large votes and on other occasions not so approved.

So it is not at all clear that the vote necessary to waive the amendment would be forthcoming, and in any event it is crystal clear that the vote comes very late in the day after we have already started on the downward slope. Therefore, our ability to check that downward movement to avoid these kinds of fluctuations will be markedly limited under the balanced budget amendment. We are inviting the prospect of going from these fluctuations over the business cycle without the deep moves into negative growth back to the very fluctuations that marked the economy in the century before the post-World War II period.

This matter may seem somewhat far removed because we have not had a great depression for a long, long time. But I simply want to underscore that what these deep plunges into negative growth represent very severe unemployment, the likes of which we have not seen in the post World War II period: Very extensive business failures—bankruptcies, farm foreclosures. So we would be crippling our ability to address economic downturns.

Laura Tyson, when she was the chair of the President's Council of Economic Advisers stated in an article entitled, ''It's a Recipe For Economic Chaos'':

> Continued progress on reducing the deficit is sound economic policy, but a constitutional amendment requiring annual balance of the federal budget is not. The fallacy in the logic behind the balanced budget amendment begins with the premise that the size of the federal deficit is the result of conscious policy decisions. This is only partly the case. The pace of economic activity also plays an important role in determining the deficit. An economic slowdown automatically depresses tax revenues and increases government spending on such programs as unemployment compensation, food stamps and welfare.
>
> Such temporary increases in the deficit act as ''automatic stabilizers,'' offsetting some of the reduction in the purchasing power of the private sector and cushioning the economy's slide. Moreover, they do so quickly and automatically, without the need for lengthy debates about the state of the economy and the appropriate policy response.
>
> * * * * *
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> A balanced budget amendment would throw the automatic stabilizers into reverse. Congress would be required to raise tax rates or cut spending programs in the face of a recession to counteract temporary increases in the deficit. Rather than moderating the normal ups and downs of the business cycle, fiscal policy would be required to aggravate them.

That is exactly what used to happen when we experienced the boom and bust cycles prior to World War II, and when we talked about the panics, the great panic of 1893, and 1922, and 1929.

Mr. President, I ask unanimous consent that the article by Laura Tyson be printed in the RECORD at the conclusion of my remarks.

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

(See exhibit 1.)

Mr. SARBANES. Mr. President, I want to address one other feature of this proposal for a balanced budget amendment. We do not have a capital budget at the Federal level and therefore the analogy that is drawn, where people say the State and local governments balance their budgets, why does the Federal Government not balance its budget—is completely false. Most States run deficits under the accounting principles used to compute the Federal budget. States have balanced budget requirements but they have a capital budget separate and apart, which they finance by borrowing.

We had two Governors who testified that having a balanced budget requirement helped them maintain a good credit rating.

The question was then, ''Why do you need a good credit rating if you have to have a balanced budget?''

Of course the answer was they expected to borrow in the future. In fact the Governors acknowledged that their budget balance is required only on their operating budget and that they make active use of a capital budget for which borrowing is permitted. Individuals, of course, borrow. Most people could not buy a home or a car if they had to have an annually balanced budget of the sort that this amendment requires because they would not be able to make a capital investment. It is prudent economics to make wise capital investments in your future and to depreciate the capital asset over its useful life.

Let me just turn to the question of the failure of this amendment to distinguish between different types of spending and the impact that those different types of spending would have on fiscal policy. The first is deposit insurance. It must be understood, this amendment requires an annual balance; the outlays and the receipts must be in balance. Between 1988 and 1991, substantial outlays were used to close insolvent thrifts and transfer their assets to the Resolution Trust Corporation. As these assets have been sold in recent years, they have begun to yield a smaller but still sizable stream of net revenue back to the Treasury. This kind of flexible response to a major national financial crisis would have been prevented by the year-by-year lockstep approach of the balanced budget amendment, which makes no account for anticipated future receipts.

The amendment actually requires the current outlays for deposit insurance be matched with current spending cuts or tax increases. This would produce a strong downward pressure on the economy because deposit insurance payments do not add to current economic activity. They replace moneys which depositors already considered as in the bank, while the offsetting cuts or taxes would subtract for current activity.

There was an interesting article that appeared in this morning's paper entitled, ''The High Cost of a Balanced Budget Amendment.'' Mr. President, I ask unanimous consent that article appear in the RECORD at the conclusion of my remarks.

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

(See exhibit 2.)

Mr. SARBANES. It is stated there:

> Advocates of the Balanced Budget Amendment to the Constitution do not intend to jeopardize the life savings of America's families or threaten the stability of the nation's banks. As written, however, the amendment could do just that.

What happens now is, as soon as you encounter a problem, the deposit insurance fund covers those deposits. But in order to do that, your outlays have to exceed your receipts in the year in which you are making that coverage.

Insurance claims are automatically paid as needed, regardless, under the deficit. Under the amendment, if deposit insurance payment would cause a deficit, might not those payments be prohibited?

> During a severe economic downturn, the risk of bank failure is greatest. An economic downturn also produces (or exacerbates) federal budget deficits, as tax revenues decline and spending for programs such as unemployment compensation increases. At such a time, the government would lack the extra revenues it could need to cover the large costs of rescuing depositors and the banking system. Under current law, deposit insurance claims are automatically paid as needed, regardless of the deficit. Under amendment, if deposit insurance payments would cause a deficit, might not those payments be prohibited?

So it is a very important question as we consider the amendment before us. Furthermore, I have difficulty in understanding under the amendment how, with respect to both Social Security and unemployment compensation, we would be able to use the balances that we build up in those trust funds in

order to cover future years? How would we be able to expend those balances since by definition to do so your outlays would be exceeding your receipts in that particular fiscal year. We regard that as wise policy. We build up these surpluses in the instance of the Social Security System in anticipation of retirement of the baby boom generation, and with the unemployment system we build them up during better economic times in order to pay benefits during recessions.

How would those surpluses be used in the future when the baby boomers retire or when the next recession hits since you would have an excess of outlays over revenues in the Social Security trust fund with respect to Social Security and in the unemployment insurance trust fund with respect to unemployment insurance?

So this requirement of an annual balance between outlays and receipts fundamentally undermines the economic prudence associated with anticipatory budget. This is budgeting which we have done consistently, and I think wisely. We build up the funds in the trust fund and spend them during difficult times by anticipating the future expenditures.

Mr. President, the New York Times today in an editorial entitled ''Unbalanced Amendment'' addresses this point. I ask unanimous consent that the editorial be printed in the RECORD at the conclusion of my remarks.

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

(See exhibit 3.)

Mr. SARBANES. Mr. President, this editorial addresses this point of the automatic stabilizers and our ability to avoid these very deep and severe economic downward plunges.

I quote the editorial:

When the economy slows, tax revenues fall off and spending on unemployment insurance and food stamps rises. The automatic rise in the deficit by triggering spending serves to mitigate the slowdowns, but under the proposed amendment Congress could easily turn a $1 million downturn into something worse. Unless a three-fifths supermajority saves the day, Congress would have to raise taxes and cut spending in a slow economy, the opposite of responsible stewardship. Take another unintended consequence. When savings and loans went bankrupt during the 1980's, the Federal Government bailed out the depositors with borrowed money, thereby preventing a banking panic. But under the proposed amendment the government could not react instantly unless a supermajority in Congress approved.

Before people start saying we could get a supermajority vote to waive the amendment, let me just remind them of the extremely close votes that we had here on the floor of the Senate with respect to providing the funds to cover the closing out of the failed S&L's.

Mr. President, I regard the vote coming tomorrow as a critical vote for a number of reasons, but in particular because I am extremely apprehensive that by eliminating our ability to conduct a rational fiscal policy to offset economic downturns, we will again plunge our economy into the severe up and down boom and bust cycles which we experienced consistently through our history. This is not hypothetical. This is not conjecture. This is what happened.

This chart only shows GDP back to the 1880's, but we could have taken it back farther, and it would have shown the same severe up and down fluctuations. We have been able to moderate those movements of the business cycle during the post-World War II period. People have become accustomed to the more moderate business cycle. Many simply assume that somehow the business cycle will continue as it were. But the business cycle remains with us. As the ups and downs prior to World War II show, we have succeeded in ameliorating the business cycle, cushioning it as it begins a downward path. So that we have avoided the very deep plunges that we previously had experienced. These deep plunges represent economic disaster for the country. They represent unemployment, business bankruptcies, and farm foreclosures, the like of which we have not seen in the post-World War II period. We almost seem to take it for granted that these major declines will not occur.

I am extremely apprehensive that the balanced budget amendment will take us back to these days. I wanted to come tonight to sound this warning as to the potential impact of this balanced budget amendment and how it might affect our economy, how it might impact on jobs, on incomes, on the long-term standards of living of the American people, how it could cause significant harm to the economy because it would not allow us to follow policies which would avoid bringing economic slowdown into recession and recession into depression.

Mr. President, I yield the floor.

EXHIBIT 1

[From the Washington Post, Feb. 7, 1995]

IT'S A RECIPE FOR ECONOMIC CHAOS

(By Laura D'Andrea Tyson)

Continued progress on reducing the deficit is sound economic policy, but a constitutional amendment requiring annual balance of the federal budget is not. The fallacy in the logic behind the balanced budget amendment begins with the premise that the size of the federal deficit is the result of conscious policy decisions. This is only partly the case. The pace of economic activity also plays an important role in determining the deficit. An economic slowdown automatically depresses tax revenues and increases government spending on such programs as unemployment compensation, food stamps and welfare.

Such temporary increases in the deficit act as ''automatic stabilizers,'' offsetting some of the reduction in the purchasing power of the private sector and cushioning the economy's slide. Moreover, they do so quickly and automatically, without the need for lengthy debates about the state of the economy and the appropriate policy response.

By the same token, when the economy strengthens again, the automatic stabilizers work in the other direction: tax revenues rise, spending for unemployment benefits and other social safety net programs falls, and the deficit narrows.

A balanced budget amendment would throw the automatic stabilizers into reverse. Congress would be required to raise tax rates or cut spending programs in the face of a recession to counteract temporary increases in the deficit. Rather than moderating the normal ups and downs of the business cycle, fiscal policy would be required to aggravate them.

A simple example from recent economic history should serve as a cautionary tale. In fiscal year 1991, the economy's unanticipated slowdown caused actual government spending for unemployment insurance and related items to exceed the budgeted amount by $6 billion, and actual revenues to fall short of the budgeted amount by some $67 billion. In a balanced-budget world, Congress would have been required to offset the resulting shift of more than $70 billion in the deficit by a combination of tax hikes and spending cuts that by themselves would have sharply worsened the economic downturn—resulting in an additional loss of 1¼ percent of GDP and 750,000 jobs.

The version of the amendment passed by the House has no special ''escape clause'' for recessions—only the general provision that the budget could be in deficit if three-fifths of both the House and Senate agree. This is a far cry from an automatic stabilizer. It is easy to imagine a well-organized minority in either House of Congress holding this provision hostage to its particular political agenda.

In a balanced-budget world—with fiscal policy enjoined to destabilize rather than stabilize the economy—all responsibility for counteracting the economic effects of the business cycle would be placed at the doorstep of the Federal Reserve. The Fed could attempt to meet this increased responsibility by pushing interest rates down more aggressively when the economy softens and raising them more vigorously when it strengthens. But there are several reasons why the Fed would not be able to moderate the ups and downs of the business cycle on its own as well as it can with the help of the automatic fiscal stabilizers.

First, monetary policy affects the economy indirectly and with notoriously long lags, making it difficult to time the desired effects with precision. By contrast, the automatic stabilizers of fiscal policy swing into action as soon as the economy begins to slow, often well before the Federal Reserve even recognizes the need for compensating action.

Second, the Fed could become handcuffed in the event of a major recession—its scope for action limited by the fact that it an push short-term interest rates no lower than zero, and probably not even that low. By historical standards, the spread between today's short rates of 6 percent and zero leaves uncomfortably little room for maneuver. Between the middle of 1990 and the end of 1992, the Fed reduced the short-term interest rate it controls by a cumulative total of 5¼ percentage points. Even so, the economy sank into a recession from which it has only recently fully recovered—a recession whose severity was moderated by the very automatic stabilizers of fiscal policy the balanced budget amendment would destroy.

Third, the more aggressive actions requires of the Fed to limit the increase in the variability of output and employment could actually increase the volatility of financial markets—an ironic possibility, given that many of the amendment's proponents may well believe they are promoting financial stability.

Finally, a balanced budget amendment would create an automatic and undesirable link between interest rates and fiscal policy.

An unanticipated increase in interest rates would boost federal interest expense and thus the deficit. The balanced budget amendment under consideration would require that such an unanticipated increase in the deficit be offset within the fiscal year!

In other words, independent monetary policy decisions by the Federal Reserve would require immediate and painful budgetary adjustments. Where would they come from? Not from interest payments and not, with such short notice, from entitlement programs. Rather they would have to come from either a tax increase or from cuts or possible shutdowns in discretionary programs whose funds had not yet been obligated. This is not a sensible way to establish budgetary priorities or maintain the healthy interaction and independence of monetary and fiscal policy.

One of the great discoveries of modern economics is the role that fiscal policy can play in moderating the business cycle. Few if any members of the Senate about to vote on a balanced budget amendment experienced the tragic human costs of the Great Depression, costs made more severe by President Herbert Hoover's well-intentioned but misguided efforts to balance the budget. Unfortunately, the huge deficits inherited from the last decade of fiscal profligacy have rendered discretionary changes in fiscal policy in response to the business cycle all but impossible. Now many of those responsible for the massive run-up in debt during the 1980s are leading the charge to eliminate the automatic stabilizers as well by voting for a balanced budget amendment.

Instead of undermining the government's ability to moderate the economy's cyclical fluctuations by passing such an amendment, why not simply make the hard choices and cast the courageous votes required to reduce the deficit—the kind of hard choices and courageous votes delivered by members of the 103rd Congress when they passed the administration's $505 billion deficit reduction package?

EXHIBIT 2

HIGH COST OF A BALANCED BUDGET AMENDMENT

(By Richard Kogan)

Advocates of the Balanced Budget Amendment to the Constitution do not intend to jeopardize the life savings of America's families or threaten the stability of the nation's banks. As written, however, the amendment could do just that.

Currently, America's savings are safe. The Federal Deposit Insurance Corp. (FDIC) guarantees individual deposits in banks and thrift institutions up to $100,000 per account. Depositors rely on the U.S. government to keep its word, quickly and automatically; if a bank goes broke, the government makes good on deposits. Deposit insurance claims are enforceable in court.

Now look at the Balanced Budget Amendment. It begins, ''Total outlays for any fiscal year shall not exceed total receipts for that fiscal year, unless three-fifths of the whole number of each House of Congress shall provide by law for a specific excess of outlays over receipts by a roll-call vote.'' This deceptively simple concept—that the federal budget must be balanced each year—would inadvertently cast doubt over the ''full faith and credit'' of the U.S. government, putting all federal guarantees, including deposit insurance, at risk.

Here's why. During a severe economic downturn, the risk of bank failure is greatest. An economic downturn also produces (or exacerbates) federal budget deficits, as tax revenues decline and spending for programs such as unemployment compensation increases. At such a time, the government would lack the extra revenues it could need to cover the large costs of rescuing depositors and the banking system. Under current law, deposit insurance claims are automatically paid as needed, regardless of the deficit. Under the amendment, if deposit insurance payments would cause a deficit, might not those payments be prohibited? Don't forget that the measure would amend the Constitution, while deposit insurance and other such guarantees are only statutes.

American banking was not always protected. The Great Depression was so steep—the economy shrank almost 30 percent from 1929 to 1933—in part because there was no deposit insurance. Some lost all their savings. A rumor that a bank was in trouble prompted panic, with depositors rushing to withdraw their savings. Even false rumors caused banks to collapse.

One of President Roosevelt's first acts was to close the banks while Congress enacted deposit insurance. The banks reopened, citizens could redeposit their funds in safety and the economic collapse ended. Deposit insurance became the first and best economic stabilizer. It is one reason that no post-war recession has shrunk the economy more than 3½ percent.

Doesn't the FDIC charge annual fees to banks, building up large balances, which would automatically be available in a banking crisis?

Not after the amendment. It prohibits spending borrowed funds, Incredibly, it also prohibits using accumulated savings; it requires that all federal spending in any fiscal year be covered by that year's revenues. This requirement is like telling a family to finance a new house or a child's college tuition out of that year's wages, no matter how much money the family has in the bank. In this case, the amendment precludes a sudden increase in deposit insurance payments if that increase would cause federal spending to exceed federal revenues in that year, no matter how much the FDIC has ''in the bank.''

There are two possible ways out. First, Congress could raise taxes or cut other spending by enough to offset deposit insurance costs. But the potential size of those payments shows why they could not be easily offset. The recent restructuring of the savings and loan industry required deposit insurance payments of $156 billion over four years, $66 billion in 1991 alone. And the government's deposit insurance guarantee covers private savings of $2.7 trillion. These amounts are too large to be offset by a single year's tax increases or spending cuts.

Second, there is the escape hatch. By a three-fifths vote, Congress could choose to pay deposit insurance and allow deficit spending. But it is hardly automatic that Congress would respond in a timely manner (or at all), even in a pending crisis. In August 1941 Congress barely mustered a majority to extend the draft, even though Hitler had already marched across half of Europe. In the current debate, neither the Senate nor the House could find a majority to write into the amendment an exception for recessions. Finding three-fifths majorities in each House of Congress is significantly more difficult. By the time Congress fully understands the scope of a developing banking crisis and gathers the three-fifths vote (if it can), the problem would have grown, perhaps to a dangerous degree.

Taking the amendment at face value, then, legal commitments made by the U.S. government would no longer be binding. When economic troubles arose and the banking system, depositors and the economy as whole most needed it, those ''commitments'' could prove ephemeral.

EXHIBIT 3

UNBALANCED AMENDMENT

Tomorrow's vote in the Senate on the balanced-budget amendment is crucial for the Republican agenda to chop Government programs into bits. The outcome is also crucial to the nation because the pernicious amendment would do enormous fiscal damage. Proponents are alarmingly within three votes of winning.

The core of the amendment would require the Government to balance its books unless three-fifths of the House and Senate vote to run a deficit. To the wavering Democrats—John Breaux of Louisiana, Sam Nunn of Georgia, Wendell Ford of Kentucky, and Kent Conrad and Byron Dorgan of North Dakota—here are five unassailable reasons to vote no.

Unnecessary.—Federal deficits have indeed been too high. That poses a threat that borrowing will siphon savings away from productive private investments.

But the fact that borrowing must be contained does not imply it ought to be eliminated—any more than family borrowing, to buy a house or pay college tuition, need be eliminated. A prudent rule would keep Federal debt growing less quickly than incomes. This rule would justify deficits of about $200 billion a year, close to current levels.

Misleading.—Proponents claim the amendment would protect future generations against ruinous interest payments. True, today's children will owe taxes when they grow up to pay interest on Federal debt. But proponents ignore the fact that the tax payments will flow right back to these children as owners of Government bonds.

Unenforceable.—Because key terms of the amendment—like outlays and receipts—are undefined, Congress will be able to manipulate and evade. Can Congress create independent agencies or find other ways to spend and borrow off the Government books? A Senate committee has already written into the legislative record, used to guide future court decisions, that the Tennessee Valley Authority would be exempt from the amendment. It should take lawyers five minutes to stretch whatever ''principle'' guides that exception to scores of other Government programs.

The amendment also fails to provide an enforcement mechanism. It might simply become an empty gesture or, worse yet, the courts might step in to tell Congress how much it should tax and where it should spend.

Irrational.—Federal bookkeeping lumps ordinary spending with long-term public investments. Congress, forced by the amendment to cut quickly, would go after hugely expensive, though vitally important, investments, such as scientific research, costly laboratories and equipment, job training or other investments that would not produce benefits for years, if not decades.

Reckless.—When the economy slows, tax revenues fall off and spending on unemployment insurance and food stamps rises. This automatic rise in the deficit, by triggering spending, serves to mitigate the slowdown. But under the proposed amendment, Congress could easily turn a mild downturn into something worse. Unless a three-fifths supermajority saves the day, Congress would have to raise taxes and cut spending in a slow economy—the opposite of responsible stewardship.

Take another unintended consequence. When savings and loans went bankrupt during the 1980's, the Federal Government bailed out depositors with borrowed money, thereby preventing a banking panic. But

under the proposed amendment, the Government could not react instantly unless a supermajority in Congress approved.

The balanced-budget amendment appeals to taxpayers who demand that the Government spend their money wisely. But Senators Nunn, Ford, Conrad, Dorgan and Breaux need to recognize that this honorable sentiment cannot be wisely embedded into the Constitution.

Mr. HATCH. Mr. President, critics or outright opponents of the balanced budget amendment have made the point that one reason we should not have a balanced budget rule is because of how the business cycle and the so-called automatic stabilizers work. The basic idea is that in recessions, revenues decrease and outlays—such as welfare payments—increase. Critics say that economic fluctuations are as inevitable as the tides and hence so is a cycle of deficits, therefore, commanding budget balance is like ordering the tides to retreat.

The notion that ordering budget balance is like commanding the tides to retreat is absurd. It is like saying it is impossible to stop using your credit cards. The truth is that taxing and spending decisions are volitional, notwithstanding decades of bad habits.

Economic fluctuations which result in changes in revenue or outlay projections are not an argument against balance, but could an argument for surplus contingency funds. It is decidedly not an argument for maintaining large structural deficits. A family saves for a rainy day, they do not keep their credit cards ''maxed out''—in good times and bad—and then tell the credit company that economic fluctuations are as inevitable as the tides so how about another few thousand on the credit limit.

The balanced budget amendment in no way prevents us from running a small surplus, which could be used to offset the effects of an economic downturn. In fact, Fred Bergston, a noted economist and former Treasury Department official, suggests we create a habit of saving for rainy days, which will allow us to use fiscal policy within the balanced budget rule better than we can now without it.

The argument made by the Senator from Maryland seems to be a distorted version of Keynsianism, and it is not clear that it would work to stimulate our current economy. In fact, our recent history seems to refute such an expectation. In the early 1990's, we had record deficits and zero or low growth for 3 years. The experience of the late Bush, early Clinton, years was the experience of the Carter years, namely high deficits and recession. This sort of stimulus mechanism obviously does not work very well. Additionally, Mr. President, President Clinton's response to the recession of the early 1990's was to send a budget with tax increases and spending cuts. This was supported by the Senator from Maryland. Why was this plan appropriate in 1993 but apparently no other time?

Moreover, we have been running deficits for three decades. Have we been in recession for three decades? Have we avoided the business cycle for three decades? No. We have had numerous business cycles since 1969 but have only balanced the budget once. If critics are right, we should have had a cycle of deficits and surpluses. Far from cycling, the debt is on a steady increase. The debt is growing at a fantastic rate: it is now over $4.8 billion and is projected to exceed $6 trillion in only 3 years. The correlation between deficits and prosperity is far from clear, based on our history.

I have other questions about this argument. At the level we are now spending, about $1.5 trillion each year, just how big of a deficit would we have to run to stimulate the economy? We already have our foot to the floor on the debt accelerator—we cannot seriously argue that pushing our debts further will be helpful. Talk about inflexible fiscal policy. Our debt and yearly deficits are so large there just is not any clear room to move further. We would have more flexible fiscal policy if we got our deficits under control.

Mr. President, the principle of a rule of balanced budgets is unassailable, and should be violated only when absolutely necessary.

MORNING BUSINESS

SUPPORTING THE CONFIRMATION OF THE NOMINEES TO THE BASE CLOSURE AND REALIGNMENT COMMISSION

Mr. THURMOND. Mr. President, I will not take much of the Senate's time to express my support for the confirmation of Mrs. Cox, General Davis, Admiral Montoya, Mr. Kling, Mr. Cornella, and Mrs. Steele to be members of the Base Closure and Realignment Commission.

Despite the dismal performance by the White House when it submitted these nominations, the Armed Services Committee resolved all outstanding issues concerning individual nominees. I should add that these issues were, for the most part, related to whether or not an individual should recuse himself or herself from deliberating on a particular base. After considerable discussion and individual interviews, these concerns were alleviated and the committee recommended that the Senate confirm the nominees.

We now face a crucial decision. Tomorrow, as required by law, the Secretary of Defense will release his recommended list of bases for closure. Whether or not the Senate confirms the Base Closure Commissioners has no impact on the release of the list. However, it does impact on the deliberative process which will proceed since we have a Commission chairman. The question that every Senator who wants to delay the confirmation process should be asking is: Do we allow the chairman of the Base Closure and Realignment Commission, Senator Alan Dixon, to solely conduct the evaluations of the Secretary's list, or do we provide him with the assistance of these six Commissioners?

I have no doubt that despite the abilities of Alan Dixon, he and the Senate would rather see a group of individuals make decisions on the future of the Nation's military bases and our local economies. Therefore, I urge the Senate to confirm these nominations and let the 1995 Base Closure Commission proceed with its work.

CONFIRMATION OF AL CORNELLA

Mr. PRESSLER. Mr. President, I rise today to express my strong support for the nomination of Al Cornella to be a member of the 1995 Defense Base Closure and Realignment Commission.

This Commission was created by Congress in 1990 with the intention it would be an independent, nonpartisan decision-making body. I can assure my colleagues, Al Cornella is a man of the highest integrity. He will be fair in his deliberations and recommendations. During his opening statement before the Senate Armed Services Committee, Al committed himself to conducting his deliberations in a fair and impartial manner. Al Cornella is a man who keeps his word. The law requires the Commission to make recommendations based on specific criteria, ranging from military readiness to fiscal cost. Al Cornella's deliberations will be fully consistent with the law.

Mr. President, I am confident in Al's character and trust his judgment. Al Cornella exemplifies the American spirit of community involvement. He is one of South Dakota's very best. Currently, Al is a small business owner in Rapid City, SD, and has served as chairman of the board of the Rapid City Area Chamber of Commerce.

In addition to his civic involvement, Al has a strong interest in and knowledge of military issues. He served in the U.S. Navy during the Vietnam conflict. Being a Vietnam veteran myself as a lieutenant in the U.S. Army, I strongly believe his commitment to duty and country should not go unnoticed. For many years, Al served as a key leader in issues concerning military affairs in the Rapid City Chamber of Commerce. For the past 3 years, Al has served as a member of my Service Academy Advisory Board, evaluating applicants seeking admission to our three military academies.

Again, Mr. President, Al Cornella is a man of integrity. I urge my colleagues to support his confirmation. Al Cornella has distinguished himself in every endeavor in his life. He will do so again as a member of the Defense Base Closure and Realignment Commission.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Thomas, 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

At 3:12 p.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the House has passed the following bill, in which it requests the concurrence of the Senate:

H.R. 450. An act to ensure economy and efficiency of Federal Government operations by establishing a moratorium on regulatory rulemaking actions, and for other purposes.

The message also announced that the House has agreed to the following concurrent resolution, in which it requests the concurrence of the Senate:

H. Con. Res. 20. Concurrent resolution permitting the use of the rotunda of the Capitol for a ceremony to commemorate the days of remembrance of victims of the Holocaust.

MEASURES REFERRED

The following bill was read the first and second times by unanimous consent and referred as indicated:

H.R. 450. An act to ensure economy and efficiency of Federal Government operations by establishing a moratorium on regulatory rulemaking actions, and for other purposes; to the Committee on Governmental Affairs.

The Committee on the Budget was discharged from further consideration of the following measures, which were referred to the Committee on Governmental Affairs for a period not to exceed 30 days.

S. 4. A bill to grant the power to the President to reduce budget authority; and

S. 14. A bill to amend the Congressional Budget and Impoundment Control Act of 1974 to provide for the expedited consideration of certain proposed cancellations of budget items.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. DOMENICI, from the Committee on the Budget, without recommendation with amendments:

S. 4. A bill to grant the power to the President to reduce budget authority (Rept. No. 104–9).

By Mr. DOMENICI, from the Committee on the Budget, without recommendation with an amendment in the nature of a substitute:

S. 14. A bill to amend the Congressional Budget and Impoundment Control Act of 1974 to provide for the expedited consideration of certain proposed cancellations of budget items (Rept. No. 104–10).

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. STEVENS:

S. 475. A bill to authorize a certificate of documentation for the vessel *Lady Hawk*; to the Committee on Commerce, Science, and Transportation.

By Mr. NICKLES (for himself, Mr. CAMPBELL, Mr. INHOFE, Mr. HELMS, Mr. ASHCROFT, and Mrs. HUTCHISON):

S. 476. A bill to amend title 23, United States Code, to eliminate the national maximum speed limit, and for other purposes; to the Committee on Environment and Public Works.

By Mr. KOHL (for himself and Mr. FEINGOLD):

S. 477. A bill to provide for the temporary suspension of the reformulated gasoline requirements under the Clean Air Act in States where bona fide health concerns have been raised until those concerns are appropriately addressed; to the Committee on Environment and Public Works.

By Mr. BREAUX (for himself and Mr. CHAFEE):

S. 478. A bill to amend the Internal Revenue Code of 1986 to allow the taxable sale or use, without penalty, of dyed diesel fuel with respect to recreational boaters; to the Committee on Finance.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. DOMENICI (for himself, Mr. EXON, Mr. DOLE, Mr. DASCHLE, Mr. GRASSLEY, Mr. NICKLES, Mr. GRAMM, Mr. BOND, Mr. LOTT, Mr. BROWN, Mr. GORTON, Mr. GREGG, Ms. SNOWE, Mr. ABRAHAM, Mr. FRIST, Mr. HOLLINGS, Mr. JOHNSTON, Mr. LAUTENBERG, Mr. SIMON, Mr. CONRAD, Mr. DODD, Mr. SARBANES, Mrs. BOXER, Mrs. MURRAY, Mr. HATFIELD, and Mr. PACKWOOD):

S. Res. 81. A resolution commending Robert D. Reischauer for his service to the Congress and the Nation; considered and agreed to.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. STEVENS:

S. 475. A bill to authorize a certificate of documentation for the vessel *Lady Hawk*, to the Committee on Commerce, Science, and Transportation.

DOCUMENTATION FOR THE VESSEL ''LADY HAWK''

Mr. STEVENS. Mr. President, today I am introducing a bill to provide a certificate of documentation for the vessel *Lady Hawk*, U.S. Official No. 961095.

The *Lady Hawk* is owned by Ms. Joan Dunn of Seldovia, AK.

The vessel was built in Little Falls, MN in 1989.

The first owners of the vessel—a married couple—were thought to be U.S. citizens, and a certificate of documentation for the *Lady Hawk* was issued in June 1990.

In November 1990, Ms. Joan Dunn purchased the *Lady Hawk* from the original owners, with the intent to eventually use it as a charter fishing vessel.

On November 11, 1993, Ms. Dunn received a notice from the Coast Guard that one of the married couple who originally owned the vessel was in fact a Canadian citizen, and that the certificate of documentation for the *Lady Hawk* was therefore invalid.

The Coast Guard determined that Ms. Dunn was a bona fide purchaser in good faith, and informed her that it was pursuing penalty action against the former owner, but that the certificate of documentation for the *Lady Hawk* was nevertheless invalid.

The bill I am introducing today would grant a Jones Act waiver to Ms. Dunn for the vessel *Lady Hawk*.

Ms. Dunn, through no fault of her own, cannot use this vessel for fishing charters or other coastwise trade without this waiver.

By Mr. NICKLES (for himself, Mr. CAMPBELL, Mr. INHOFE, Mr. HELMS, Mr. ASHCROFT, and Mrs. HUTCHINSON):

S. 476. A bill to amend title 23, United States Code, to eliminate the national maximum speed limit, and for other purposes; to the Committee on Environment and Public Works.

NATIONAL MAXIMUM SPEED LIMIT REPEAL ACT

Mr. NICKLES. Mr. President, I rise today to introduce the National Maximum Speed Limit Repeal Act of 1995 on behalf of myself and Mr. CAMPBELL. This legislation will return to the States the authority to establish their own speed limits.

The national maximum speed limit allows the Federal Government to penalize States which do not comply with posting and enforcement of speed regulations. The penalties are potentially as high as 10 percent of a State's National Highway System and surface transportation funds. It is also important to note that these highway revenues are generated entirely by the States.

The 55 mph speed limit law, which was amended to allow for a 65 mph limit on interstates and similar highways, in one of 19 provisions of Federal law which threatens States with the loss of their badly needed highway funds. Repealing the national maximum speed limit will help to eliminate these unnecessary and unfair Federal penalties.

This bill will further empower States with the responsibility to make their own decisions with regard to speed limits. Such authority should not be imposed by the bureaucracy in Washington, DC, but instead should be regulated by the individual States who understand their own transportation needs and who know what restrictions are best-suited for their citizens. Following my statement, I request that the text of the bill be printed in the RECORD.

Thank you, Mr. President. We urge all Members to cosponsor this important measure.

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

S. 476

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

SECTION 1. REPEAL OF NATIONAL MAXIMUM SPEED LIMIT.

(a) IN GENERAL.—Section 154 of title 23, United States Code, is repealed.

(b) CONFORMING AMENDMENTS.—

(1) The analysis for chapter 1 of the title is amended by striking the item relating to section 154.

(2) Section 141 of the title is amended—

(A) by striking subsection (a);

(B) by designating subsections (b), (c), and (d) as subsections (a), (b), and (c), respectively; and

(C) in subsection (b) (as so redesignated), by striking ''subsection (b)'' each place it appears and inserting ''subsection (a)''.

(3) Section 123(c)(3) of the Federal-Aid Highway Act of 1978 (Public Law 95–599; 23 U.S.C. 141 note) is amended by striking ''section 141(b)'' and inserting ''section 141(a)''.

(4) Section 153(i)(2) of title 23, United States Code, is amended to read as follows:

''(2) MOTOR VEHICLE.—The term 'motor vehicle' means any vehicle driven or drawn by mechanical power manufactured primarily for use on public highways, except any vehicle operated exclusively on a rail or rails.''.

(5) Section 1029 of the Intermodal Surface Transportation Efficiency Act of 1991 (Public Law 102–240; 23 U.S.C. 154 note) is amended—

(A) by striking subsection (d); and

(B) by redesignating subsections (e), (f), and (g) as subsections (d), (e), and (f), respectively.

(6) Section 157(d) of title 23, United States Code, is amended by striking ''154(f) or''.

(7) Section 410(i)(3) of the title is amended to read as follows:

''(3) MOTOR VEHICLE.—The term 'motor vehicle' means any vehicle driven or drawn by mechanical power manufactured primarily for use on public highways, except any vehicle operated exclusively on a rail or rails.''.

By Mr. KOHL (for himself and Mr. FEINGOLD):

S. 477. A bill to provide for the temporary suspension of the reformulated gasoline requirements under the Clean Air Act in States where bona fide health concerns have been raised until those concerns are appropriately addressed; to the Committee on Environment and Public Works.

TEMPORARY SUSPENSION OF REFORMULATED GASOLINE REQUIREMENTS

• Mr. KOHL. Mr. President, on January 1 of this year, the reformulated gasoline requirements under the Clean Air Act came into effect in southeastern Wisconsin, as well as other areas around the Nation. The purpose of the reformulated gasoline requirement is to facilitate the use of cleaner-burning fuels in the areas of the country that are experiencing the most severe air pollution problems.

In general, I have supported the use of reformulated gasoline as being one of the most cost-effective ways to address air pollution from mobile sources, such as automobiles. However earlier this month, citizens of southeastern Wisconsin began to experience difficulties with the new fuels. Problems have ranged from health concerns to mechanical problems to reductions in fuel efficiency.

Most alarming to me are the health complaints that I have heard associated with the fumes from the reformulated gas, including nausea, itchy and burning eyes, shortness of breath, dizziness, and skin rashes.

I believe that the citizens of Wisconsin strongly support the overall goal of the Clean Air Act, which is to protect human health through improved air quality. But when people are becoming sick as a result of these requirements, it only makes sense to temporarily suspend the program in question, until the health concerns are adequately addressed.

On February 10 of this year, I called on EPA Administrator Carol Browner to suspend the reformulated gasoline program in Wisconsin until April 1, 1995, in order to allow citizens to purchase conventional gasoline while the health concerns associated with the reformulated fuels are being investigated. The Governor of Wisconsin had made the same request earlier that day.

On February 24, I finally received the response to the request that I had made. In short, I found the response to be very inadequate. EPA did not agree to provide the temporary suspension that we had request, but instead offered to work with the oil industry to make an unspecified alternative fuel available on a limited basis.

Because the EPA response to the matter does not address my concerns, I am offering legislation to require the suspension of reformulated gasoline requirements when bona fide health concerns are raised by a State where the requirements have been imposed.

The bill addresses the specific problem faced by Wisconsin, without affecting the reformulated gasoline program as implemented in other regions of the Nation. The bill also establishes a process whereby a task force of Federal health and environmental officials work with the affected State to investigate the specific health concerns, and report back to Congress about their findings. The task force would also make recommendations to Congress and the State about other fuel formulations that could be used in the State, without causing the health problems that led to the suspension. Once the concerns are addressed, the reformulated gasoline program would be reinstated.

Mr. President, it is not my intent to hinder the implementation of the Clean Air Act. But as I said when I supported passage of the Clean Air Act, my bottom line concern is the health of the citizens of Wisconsin. If people are getting sick, I believe that it is my responsibility to see that the health questions are addressing adequately. While I had hoped that such effort would have been handled administratively by EPA, the lack of action of the part of EPA has left no alternative but legislative action.

I ask unanimous consent that the full text of the bill be included in the RECORD.

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

S. 477

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

SECTION 1. SUSPENSION OF REFORMULATED GASOLINE RULES.

Notwithstanding any other law, upon the certification by appropriate health officials of a State that bona fide health concerns have been raised with respect to the use of reformulated gasoline as required by rules issued by the Administrator of the Environmental Protection Agency to achieve the objectives of 211(k) of the Clean Air Act (42 U.S.C. 7545(k)), the Administrator shall suspend implementation of those rules in the State until the later of—

(1) April 1, 1995; or

(2) the date on which the Secretary of Health and Human Services and the Administrator of the Environmental Protection Agency, in conjunction with appropriate public health officials of the State, certify that the reformulated gasoline used to achieve the objectives of that section is not causing human health problems.

SEC. 2. STUDY OF HEALTH EFFECTS OF REFORMULATED GASOLINE.

The Secretary of Health and Human Services and the Administrator of the Environmental Protection Agency, in conjunction with appropriate public health officials of a State that has requested a suspension of rules under section 1, shall—

(1) investigate health complaints associated with use of reformulated gasoline in the State;

(2) report to Congress by April 1, 1995, on the result of the investigation; and

(3) include in the report recommendations for alternative formulations that will meet with requirements of section 211(k) of the Clean Air Act (42 U.S.C. 7545(k)) without causing the health problems reported in the State.•

By Mr. BREAUX (for himself and Mr. CHAFEE):

S. 478. A bill to amend the Internal Revenue Code of 1986 to allow the taxable sale or use, without penalty, of dyed diesel fuel with respect to recreational boaters; to the Committee on Finance.

CORRECTION OF THE IMPLEMENTATION OF THE RECREATIONAL BOAT DIESEL FUEL TAX

• Mr. BREAUX. Mr. President, I rise today to reintroduce legislation to clarify the implementation of a law that we adopted in 1993. One of the provisions included in the 1993 Budget Reconciliation Act removed the exemption from payment of the diesel fuel tax that recreational boaters previously had.

At the same time, the 1993 Budget Act modified the collection point for all of the fuel taxes and imposed fuel dying requirements. The combination of these two changes have made the implementation of the fuel tax a disaster creating a situation where many recreational boaters cannot find any fuel to pay tax on.

Under the 1993 changes, fuel that is subject to taxation is clear and fuel

that is exempt from taxation is dyed. The problem for boaters arises because most marinas have only one fuel tank, however, they provide fuel to both commercial and recreational boats. Commercial boat fuel is exempt from any tax and therefore commercial boat operators seek to purchase dyed fuel. Recreational fuel is taxable and recreational boaters want to purchase clear fuel. For those marina operators with only one fuel tank, they must decide if they will offer clear, taxable fuel for the recreational boaters or offer dyed tax-exempt fuel for the commercial boaters. Most marina operators in my State of Louisiana, find that their primary customer base is made up of commercial boaters and they are choosing to sell the dyed fuels. Thus, recreational boaters have no place to purchase the clear fuel.

Mr. President, this is a clear case of unintended consequences. The boaters are willing to pay the tax, they simply cannot find the place to buy the fuel and pay the tax. My bill is very simple. It modifies the collection process for diesel boating fuel. It allows marina operators to purchase dyed, exempt fuel and then collect the tax directly from recreational boaters and remit the tax to the Government directly.

Mr. President, I believe that this is a very simple solution to this very difficult problem. I urge the Senate to act on this important issue as soon as possible.●

ADDITIONAL COSPONSORS

S. 50

At the request of Mr. LOTT, the name of the Senator from Texas [Mrs. HUTCHISON] was added as a cosponsor of S. 50, a bill to repeal the increase in tax on social security benefits.

S. 262

At the request of Mr. GRASSLEY, the names of the Senator from Delaware [Mr. BIDEN] and the Senator from Missouri [Mr. BOND] were added as cosponsors of S. 262, a bill to amend the Internal Revenue Code of 1986 to increase and make permanent the deduction for health insurance costs of self-employed individuals.

S. 275

At the request of Mr. GRASSLEY, the name of the Senator from Pennsylvania [Mr. SANTORUM] was added as a cosponsor of S. 275, a bill to establish a temporary moratorium on the Interagency Memorandum of Agreement Concerning Wetlands Determinations until enactment of a law that is the successor to the Food, Agriculture, Conservation, and Trade Act of 1990, and for other purposes.

S. 325

At the request of Mr. THOMAS, the name of the Senator from Arizona [Mr. KYL] was added as a cosponsor of S. 325, a bill to make certain technical corrections in laws relating to Native Americans, and for other purposes.

S. 457

At the request of Mr. SIMON, the name of the Senator from Washington [Mrs. MURRAY] was added as a cosponsor of S. 457, a bill to amend the Immigration and Nationality Act to update references in the classification of children for purposes of U.S. immigration laws.

SENATE CONCURRENT RESOLUTION 3

At the request of Mr. SIMON, the names of the Senator from Delaware [Mr. ROTH] and the Senator from Indiana [Mr. LUGAR] were added as cosponsors of Senate Concurrent Resolution 3, a concurrent resolution relative to Taiwan and the United Nations.

SENATE RESOLUTION 81—COMMENDING ROBERT D. REISCHAUER FOR SERVICE TO CONGRESS AND THE NATION

Mr. DOMENICI (for himself, Mr. EXON, Mr. DOLE, Mr. DASCHLE, Mr. GRASSLEY, Mr. NICKLES, Mr. GRAMM, Mr. BOND, Mr. LOTT, Mr. BROWN, Mr. GORTON, Mr. GREGG, Ms. SNOWE, Mr. ABRAHAM, Mr. FRIST, Mr. HOLLINGS, Mr. JOHNSTON, Mr. LAUTENBERG, Mr. SIMON, Mr. CONRAD, Mr. DODD, Mr. SARBANES, Mrs. BOXER, Mrs. MURRAY, Mr. HATFIELD, and Mr. PACKWOOD) submitted the following resolution, which was considered and agreed to:

S. RES. 81

Whereas Dr. Robert D. Reischauer served as Director of the Congressional Budget Office from March 6, 1989 to February 28, 1995;

Whereas he previously served in that office in its formative years from February 28, 1975 to April 1, 1981 as a Special Assistant, Assistant Director, and Deputy Director;

Whereas he has ably and faithfully performed the difficult duties of the Director's office serving all Members of the Congress with great professional integrity and dedication;

Whereas he has maintained the high tradition of that office by providing critical analysis and review of complex fiscal policy issues pending before the Congress;

Whereas he has provided the Congress and the American public with analysis of these complex fiscal policy issues with candor, objectivity, and clarity;

Whereas he has performed the duties of his office with remarkable diligence, perseverance, and intelligence often at great sacrifice to his personal life; and

Whereas he has earned the respect, affection, and esteem of the United States Senate: Now, therefore, be it

Resolved, That the Senate of the United States commends Robert D. Reischauer for his long, faithful, and exemplary service to his country and to the Senate.

NOTICES OF HEARINGS

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. MURKOWSKI. Mr. President, I would like to announce for the information of the Senate and the public that an oversight hearing has been scheduled before the full Committee on Energy and Natural Resources on domestic petroleum production and international supply.

The hearing will take place on Wednesday, March 8 at 9:30 a.m. in room SD–366 of the Dirksen Senate Office Building in Washington, DC.

Those wishing to testify or who wish to submit written statements should write to the Committee on Energy and Natural Resources, U.S. Senate, Washington, DC 20510. For further information, please call Howard Useem or Judy Brown at (202) 224–6567.

ADDITIONAL STATEMENTS

NOTICE OF DETERMINATION BY THE SELECT COMMITTEE ON ETHICS UNDER RULE 35, PARAGRAPH 4, REGARDING EDUCATIONAL TRAVEL

● Mr. BRYAN. Mr. President, it is required by paragraph 4 of rule 35 that I place in the CONGRESSIONAL RECORD notices of Senate employees who participate in programs, the principal objective of which is educational, sponsored by a foreign government or a foreign educational or charitable organization involving travel to a foreign country paid for by that foreign government or organization.

The select committee received notification under rule 35 for David Podoff to participate in a program in the Netherlands sponsored by the State Department and the Netherlands Government.

The committee determined that no Federal statute or Senate rule would prohibit participation by Mr. Podoff in this program.

The select committee received notification under rule 35 for Senator KAY BAILEY HUTCHISON to participate in a program in Davos, Switzerland, sponsored by the World Economic Forum Foundation from January 27 to 29, 1995.

The committee determined that no Federal statute or Senate rule would prohibit participation by Senator HUTCHISON in this program.

The select committee received notification under rule 35 for Amy Dunathan, a member of the staff of Senator CHAFEE, to participate in a program in Taiwan sponsored by Tamkang University from January 10 to 16, 1995.

The committee determined that no Federal statute or Senate rule would prohibit participation by Ms. Dunathan in this program.

The select committee received notification under rule 35 for Bernadine Abbott Hoduski, a member of the staff of Senator FORD, to participate in a program in Africa, sponsored by the International Federal of Library Associations and Institutions [IFLA], from December 15 to 18, 1994.

The committee determined that no Federal statute or Senate rule would prohibit participation by Ms. Hoduski in this program.

The select committee received notification under rule 35 for Jay C. Ghazal, a member of the staff of Senator PELL, to participate in a program in Korea

sponsored by the Korean Institute for International Economic Policy to be held in Korea from November 12 to 20, 1994.

The committee determined that no Federal statute or Senate rule would prohibit participation by Mr. Ghazal in this program.●

THE 150TH ANNIVERSARY OF THE EMANU-EL CONGREGATION

● Mr. D'AMATO. Mr. President, I rise today to extend my congratulations to the Emanu-El Congregation on their 150th anniversary.

The Emanu-El Congregation stands as a beacon and an example for the entire community. The congregation has grown and it's ever-expanding members contribute brilliantly to the many important aspects of American life and culture. Additionally, its unselfish contributions also help to increase the quality of life for not only the residents of their neighborhood, but for all New Yorkers as well.

In these trying times, both at home and abroad, it is vital that the congregation work to strengthen and bring together the entire community. The vitality and activism of the congregation is essential and invaluable, especially in these periods of increased anti-Semitism and other hatred, as well as the continued dangers for the State of Israel.

I wish the Emanu-El Congregation happiness and continued success in all their future endeavors. I hope their celebration is a special one that will be treasured for years to come.●

PEACE POEMS BY HARTFORD FOURTH-GRADERS

● Mr. DODD. Mr. President, violent crime is taking a terrible toll on our entire society, but nowhere are its effects more pronounced or more tragic than on our youngest citizens. An American child dies from gunshot wounds every 2 hours. Homicide is now the third leading cause of death for children between ages 5 and 14.

Although the violence has also swept through rural and suburban areas, it has been especially pronounced in our cities. Hartford, the capital city of my State, has seen a terrible loss of life in recent years, much of it involving young people. But many of Hartford's children are saying, ''Enough.''

One such group of children, Mrs. Kulesa's fourth-grade class at the M.D. Fox School in Hartford, recently wrote to me with copies of their ''Peace Poems.'' These poems are cries from the heart by a group of children who want nothing more than to grow up without violence and without fear.

These children's words are more eloquent than mine could ever be, so I want to allow them to speak for themselves. Therefore, I ask that their poems be printed in the RECORD.

The poems follow:

PEACE

(By Ashley Serrano)

It will make things right,
and end all evils
of the bitter night.

PEACE

(By Joshua Joseph)

Peace is not bad.
When it is missing, it is sad.
To make it grow,
seeds of kind acts we sow.

PEACE

(By Wanda Vega)

Peace is so good,
Having it we should.
It avoids fighting,
and back biting.

PEACE

(By Jason Vazquez)

When we are all together as one,
good will and peace will be done.
We will take turns,
so that everyone learns.

PEACE

(By Alexis Soto)

Peace is to share.
It's not to be unfair.
When wars do start,
we shall break apart.

PEACE

(By Miezan Edoukoun)

When you show peace.
it will be shown to you.
When I am peaceful to my niece,
I'm obeying the golden rule.

PEACE

(By Carlos Ferrer)

Peace does no mugging.
It's like getting good hugging.
When peace is around,
It's a super town.
A peaceful heart is a big size.
It's had only by the very wise.

PEACE

(By Elesabeth Robles and Carlos Figueroa)

From East to West
Of peace we do tell.
It's the very best.
It rules swell.

PEACE

(By Elias Morales)

It means not to be cruel.
It's neat, because it makes us follow the rule.
Peace makes us cool,
when it reigns in our school.

LOVE

(by George Lanzo)

Love is like a blue star in the sky.
Love feels like flying through air.
Love sounds like a rap song
It is like smelling delicious perfume.
Love tastes like brownies.

PEACE

(by Wilburt Jarrett)

Peace is like the color of red.
It feels like a feather on your head.
It smells like roses in vases.
It sounds like people talking in races.
Peace tastes like buttercup candy.
Always keep supplies of understanding handy.

PEACE

(by Michael Robinson)

How can I be useful to you?
Do you know what you can do?
You must stop killing,
And do only good things too.

PEACE

(by Tomarra Weaver)

Peace means a nice life.
It is for every man and wife.
It is beautiful and so are you.
It makes us all beautiful and true.

PEACE

(by Mariah Fisher)

I love peace today.
From town hall to a neighborhood pool
you can have peace in every way,
if helpfulness is your tool.

PEACE

(by Edward Cruz)

Roses are red, violets are blue,
peace is great, so don't be a fool.
To your own self be true.
Keep peace in your school

PEACE

(by Jermaine Cruz)

May we have a better day;
let us have peace everywhere.
We do pray
for peace here and there.

PEACE

(by Joanna Genao)

Peace is not a beast.
It should be high on a pole,
so it can be seen in the East.
For it's message to be told.

PEACE

(by George Lanzo)

Living peacefully is fun.
Then came the drugs that are now done.
Then came my mother to take me to have fun.
But now I can't go, cause I have to run.

PEACE

(by Mrs. Kulesa)

Peace is not unkind or haughty
It's attitude is best
to give life great zest
To be fair
It will always dare.
It is ready to help people everywhere
Until man learns how to really share.
It is delicate and free
It's a treat for all eternity

DEDICATION

To Mr. DeJesus who always give us love
We wish blessings from above.
To Mrs. Lazarus who gives us appreciative cheer
May abundant good fortune be near.
To Dr. Hines who leads in work and play
We wish the best forever and a day.
Gratitude to them is without measure
They wish education to be our treasure.
Their influence on us does show
As day by day we grow.
Whatever the future may be,
We wish them tranquility.

GRANDMOTHER LINDEN

(by Mrs. Kulesa)

Grandma Linden to us is so dear
Whenever we need help she is near.
Encouraging us to stay on task
She does whatever we ask.
She is generous and kind.,
Often our true loving words are hard to find.
She shows us what's right
Helping us not to fight.
She shares with us wisdom of her years
As her warm words melt away our fears
With a hug and love so true
Grandma we embrace you.●

BUDGET SCOREKEEPING REPORT

● Mr. DOMENICI. Mr. President, I hereby submit to the Senate the budget scorekeeping report prepared by the

Congressional Budget Office under section 308(b) and in aid of section 311 of the Congressional Budget Act of 1974, as amended. This report meets the requirements for Senate scorekeeping of section 5 of Senate Concurrent Resolution 32, the first concurrent resolution on the budget for 1986.

This report shows the effects of congressional action on the budget through February 24, 1995. The estimates of budget authority, outlays, and revenues, which are consistent with the technical and economic assumptions of the concurrent resolution on the budget (H. Con. Res. 218), show that current level spending is below the budget resolution by $2.3 billion in budget authority and $0.4 billion in outlays. Current level is $0.8 billion over the revenue floor in 1995 and below by $8.2 billion over the 5 years 1995–99. The current estimate of the deficit for purposes of calculating the maximum deficit amount is $238.7 billion, $2.3 billion below the maximum deficit amount for 1995 of $241.0 billion.

Since my last report, dated February 13, 1995, there has been no action that affects the current level of budget authority, outlays, or revenues.

The report follows:

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, February 27, 1995.

Hon. PETE DOMENICI,
Chairman, Committee on the Budget, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: The attached report for fiscal year 1995 shows the effects of Congressional action on the 1995 budget and is current through February 24, 1995. The estimates of budget authority, outlays and revenues are consistent with the technical and economic assumptions of the 1995 Concurrent Resolution on the Budget (H. Con. Res. 218). This report is submitted under Section 308(b) and in aid of Section 311 of the Congressional Budget Act, as amended, and meets the requirements of Senate scorekeeping of Section 5 of S. Con. Res. 32, the 1986 First Concurrent Resolution on the Budget.

Since my last report, dated February 13, 1995, there has been no action that affects the current level of budget authority, outlays, or revenues.

Sincerely,

ROBERT D. REISCHAUER.

THE CURRENT LEVEL REPORT FOR THE U.S. SENATE FISCAL YEAR 1995 104TH CONGRESS, 1ST SESSION AS OF CLOSE OF BUSINESS FEBRUARY 24, 1995

[In billions of dollars]

	Budget resolution (H. Con. Res. 218)[1]	Current level[2]	Current level over/under resolution
On-budget:			
Budget authority	$1,238.7	$1,236.5	−2.3
Outlays	1,217.6	1,217.2	−0.4
Revenues:			
1995	977.7	978.5	0.8
1996–1999[3]	5,415.2	5,407.0	−8.2
Maximum deficit amount	241.0	238.7	−2.3
Debt subject to limit	4,965.1	4,747.3	−217.8
Off-budget			
Social Security outlays:			
1995	287.6	287.5	−0.1
1995–1999	1,562.6	1,562.6	*0.
Social Security revenues:			
1995	360.5	360.3	−0.2
1995–1999	1,998.4	1,998.2	−0.2

[1] Reflects revised allocation under section 9(g) of H. Con. Res. 64 for the Deficit—Neutral reserve fund.

[2] Current level represents the estimated revenue and direct spending effects of all legislation that Congress has enacted or sent to the President for his approval. In addition, full-year funding estimates under current law are included for entitlement and mandatory programs requiring annual appropriations even if the appropriations have not been made. The current level of debt subject to limit reflects the latest U.S. Treasury information on public debt transactions.

[3] Includes effects, beginning in fiscal year 1996, of the International Antitrust Enforcement Act of 1994 (P.L. 103–438).

*Less than $50 million.

Note.—Detail may not add due to rounding.

THE ON—BUDGET CURRENT LEVEL REPORT FOR THE U.S. SENATE, 104TH CONGRESS, 1ST SESSION, SENATE SUPPORTING DETAIL FOR FISCAL YEAR 1995 AS OF CLOSE OF BUSINESS FEBRUARY 24, 1995

[In millions of dollars]

	Budget authority	Outlays	Revenues
Enacted in previous sessions			
Revenues	.....	.....	$978,466
Permanents and other spending legislation	$750,307	$706,236	.....
Appropriation legislation	738,096	757,783	.....
Offsetting receipts	(250,027)	(250,027)	.....
Total previously enacted	1,238,376	1,213,992	978,466
Entitlements and mandatories			
Budget resolution baseline estimates of appropriated entitlements and other mandatory programs not yet enacted	(1,887)	3,189	.....
Total current level[1]	1,236,489	1,217,181	978,466
Total budget resolution	1,238,744	1,217,605	977,700
Amount remaining:			
Under budget resolution	2,255	424	.....
Over budget resolution	.....	.....	766

[1] In accordance with the Budget Enforcement Act, the total does not include $1,394 million in budget authority and $6,466 million in outlays in funding for emergencies that have been designated as such by the President and the Congress, and $877 million in budget authority and $935 million in outlays for emergencies that would be available only upon an official budget request from the President designating the entire amount requested as an emergency requirement.

*Less than $500 thousand.

Note.—Numbers in parentheses are negative. Detail may not add due to rounding.•

ILLINOIS' WOMEN IN CONGRESS, 1920–90

• Mr. SIMON. Mr. President, in 1992, Illinoisians made history by electing the first African-American woman to the U.S. Senate, our distinguished colleague, Senator CAROL MOSELEY-BRAUN.

For that landmark election and for other reasons, Illinois can take pride in the women our State has sent to Congress in this century. Philip A. Grant, Jr., a professor of history at Pace University in New York City, recently documented this record in a paper he presented at the Illinois History Symposium in Springfield, IL. I ask that it be printed in the RECORD.

The article follows:

CONGRESSWOMEN FROM ILLINOIS, 1920–1990

(By Philip A. Grant, Jr.)

The purpose of this paper will be to review the careers of the various women elected to Congress from the State of Illinois between 1920 and 1990. During this eventful period of seven decades, a total of nine women won congressional seats in Illinois.

Two of the nine Illinois congresswomen were members of prominent political families. These two ladies, Winnifred Mason Huck of Chicago and Edna O. Simpson of Carrollton, were Republicans whose tenures on Capitol Hill were rather brief.

Huck decided to run for the position of Congressman-at-Large shortly after the death of her father, William E. Mason, on June 16, 1921. Mason, subsequent to having been a member of both Houses of the Illinois Legislature, had served fourteen years in Congress. On November 8, 1992 Huck was elected to complete the unexpired portion of her father's term in the House. Although she enjoyed the distinction of becoming Illinois' first woman to enter Congress, Huck's actual experience was limited to the fifteen weeks between November 20, 1922 and March 3, 1923.

Simpson was the wife of Representative Sid Simpson, who spent eight terms in the House and was a former Chairman of the Committee on the District of Columbia. A solid favorite to win a ninth term, Simpson suddenly died on October 26, 1958. At the urging of Republican leaders in Illinois' Twentieth Congressional District, Mrs. Simpson agreed to be the party's candidate in the 1958 general election. On election day she handily defeated her Democratic opponent, carrying twelve of the district's fourteen counties. Although she represented a heavily Republican constituency, Mrs. Simpson opted to retire in 1960.

Two other ladies from Illinois who were elected to Congress were Ruth Hanna McCormick of Bryan and Emily Taft Douglas of Chicago. McCormick, a Republican, was both the daughter and the wife of former Congressmen, while Douglas, a Democrat, was married to a future member of the United States Senate.

McCormick's father was Marcus A. Hanna, who had served both as a United States Senator from Ohio and Chairman of the Republican National Committee. Her husband, Medill McCormick, had been a member of both the House and Senate. After four years as Republican National Committeewoman from Illinois, McCormick in 1928 was elected Congresswoman-at-Large. Closely identified with the policies of President Herbert Hoover, McCormick in 1930 was defeated in her quest for a seat in the United States Senate.

Douglas was the wife of Paul H. Douglas, who served in the United States Senate from 1949 to 1967. On November 7, 1944 Douglas became the first Democratic woman to be elected to Congress from Illinois. Douglas in 1944 defeated the incumbent Republican Congressman-at-Large, Stephen A. Day, a staunch isolationist. Assigned to the prestigious Committee on Foreign Affairs, Douglas worked for passage of the United Nations Participation Bill, the British Loan Bill, and the measures authorizing American involvement in UNESCO and the United Nations Food and Agriculture Organization. In November 1946 Douglas lost her bid for re-election to Republican William G. Stratton, who later would twice be elected Governor of Illinois.

Three Illinois ladies who each served several consecutive terms in the House were Republicans Jessie Sumner of Milford, Marguerite Stitt Church of Evanston, and Charlotte T. Reid of Aurora. Sumner, Church, and Reid compiled unblemished records of political success in their respective congressional campaigns.

Sumner was elected to the first of four terms in Congress in November 1938. Sumner's district consisted of six downstate counties extending vertically in close proximity to the Indiana state line. As a member of the Banking and Currency Committee, Sumner vigorously opposed the domestic policies of Democratic Presidents Franklin D. Roosevelt and Harry S. Truman. Moreover, Sumner was one of the most outspoken isolationists on Capitol Hill, opposing such key measures as the 1939 repeal of the arms embargo, the Lend-Lease Bill, the Fulbright Resolution, and the International Monetary Fund (Bretton Woods) Bill.

Church was the widow of Ralph E. Church, who was in the midst of his seventh term in the House at the time of his death on March 21, 1950. Mrs. Church was elected to Congress

in November 1950 and was thereafter re-elected five times. In addition to the City of Evanston, her constituency included several affluent suburban communities north of Chicago. Mrs. Church's victorious proportions ranged from 66.0% to 74.1%, and in all six campaigns she polled the highest number of votes of any Illinois congressman. She was a member of the Foreign Affairs Committee and in her final term served as a delegate to the General Assembly of the United Nations.

Reid was initially elected to the House in November 1962. Her district was composed of five counties located between thirty and fifty miles west of Chicago. Reid was elected to five terms by sizeable margins and became the first Illinois congresswoman to serve on the powerful Committee on Appropriations. On October 7, 1971 Reid relinquished her seat in the House of Representatives to accept President Richard M. Nixon's appointment to the Federal Trade Commission.

The two most renowned Illinois congresswomen in recent years have been Republican Lynn M. Martin of Rockford and Democrat Cardiss Collins of Chicago. Martin and Collins began their active political careers in the nineteen seventies and have remained two of the most articulate members of their rival political parties.

After serving in both the Illinois House of Representatives and State Senate, Martin was elected to Congress in 1980. Her district for two decades had been represented by John D. Anderson, who in 1980 became an Independent candidate for President. A formidable vote-getter and an eloquent public speaker, Martin became the first Illinois congresswoman to be designed a member of the influential Committee on Rules and the woman to be chosen as Vice Chairman of the House Republican Conference. Although virtually guaranteed re-election to a sixth term in 1990, Martin instead engaged in an unsuccessful bid for the United States Senate. On December 4, 1990 Martin was appointed by President George Bush to the Cabinet-level position of Secretary of Labor.

Collins on June 5, 1973 won a special election to succeed her late husband, Representative George W. Collins. At that time Collins became the first Black congresswomen from the Midwest. Easily re-elected to nine additional terms, Collins after her 1990 victory was outranked in seniority by only sixty-seven of her four hundred and thirty-four House colleagues. Collins, serving an impoverished urban district, established herself as one of the most liberal Democrats in Congress. Between 1979 and 1981 she occupied the post of Chairperson of the Congressional Black Caucus. Finally, as the ranking Democrat on the Committee on Government Operations, Collins chaired the Subcommittee on Government Activities and Transportation.

The nine women from Illinois who served in Congress between 1920 and 1990 performed their duties in a conscientious manner. As members of such important committees as Banking and Currency, Foreign Affairs, Appropriations, and Rules, these congresswomen exerted influence over the fate of a substantial number and wide variety of major legislative measures. While two of these ladies failed in attempts to win races for the United States Senate, it was noteworthy that the nine congresswomen prevailed in thirty-four of thirty-five House elections. Both individually and collective the nine congresswomen from Illinois reflected high credit on their state and nation.●

INTELLECTUAL PROPERTY RIGHTS ENFORCEMENT AGREEMENT WITH THE PEOPLE'S REPUBLIC OF CHINA

● Mr. THOMAS. Mr. President, as the chairman of the Subcommittee on East Asian and Pacific Affairs, I am pleased to report to my colleagues that early yesterday the United States signed an Intellectual Property Rights Enforcement Agreement with the People's Republic of China.

Since 1992, the People's Republic of China has failed to live up to its obligation under the memorandum of understanding on intellectual property rights. Factories throughout China, especially in such southern and eastern provinces as Guangdong, continue to mass-produce pirated versions of American computer software, compact discs, CD–ROM's, and video and audio cassettes mostly for sale abroad. The United States Trade Representative estimates that piracy of audio-visual works runs close to 100 percent, while piracy of other technological items such as computer software runs around 94 to 100 percent. In addition, piracy of trademarks is rampant. This piracy is much more than a minor nuisance. The sale of these pirated items has cost U.S. businesses more than $1 billion, a sum which threatens to increase exponentially as the number of pirated products swells. It endangers Americans jobs, as well as our primacy in software innovation.

While we understand that enforcing IPR in such a large country can be difficult, such an argument in relation to the People's Republic of China is somewhat specious in light of the fact that production is tolerated, if not actively encouraged in some instances, by Chinese municipal and provincial governments as well as the central authorities in Beijing. The United States Trade Representative has complained repeatedly about the problem and United States-China negotiators have been meeting for more than a year and a half in an effort to resolve it.

Still, the Chinese refused to stem the manufacture of these goods. Consequently, the United States Trade Representative proposed to impose punitive tariffs on about $1 billion worth of Chinese goods if a satisfactory accord was not reached by February 26. The two sides negotiated right up to and past the deadline, and in the early hours Sunday reached a consensus.

The agreement has three principle goals: to take immediate steps to stem piracy of IPR material, to make long-term changes to ensure effective enforcement of IPR in the future, and to provide United States IPR holders with greater access to the Chinese market. As for the first goal, Beijing has pledged to implement a 6-month special enforcement period beginning March 1 during which time the Government will increase resources to target the 29 CD and laser disc factories known to be engaging in pirated production, and confiscate and destroy illegally produced output and the machinery used to produce it. Beijing has already signaled its willingness to work with us on this front; during the negotiations, the authorities shut down seven of the illegal factories including two of the most notorious—the Shenfei Laser Optical Systems Co. plant in Shenzhen, and a factory in Zhuhai. In addition, Beijing has proposed to tighten its customs practices to stem the exportation of illegal products.

As for long-term changes, the Chinese Government has pledged to ensure that Government ministries cease using pirated software—apparently pirated Microsoft products are very popular, even within the Trade Ministry. Furthermore, the Government will establish an effective IPR enforcement structure consisting of IPR conference working groups at the central, provincial, and local level to coordinate enforcement efforts, and to ensure that the laws are strictly enforced. Similarly, it will remodel its customs enforcement system after that of the United States. Lastly, China would create a title verification system, and would ensure that United States right holders have access to effective and meaningful judicial relief in cases of infringements.

Finally the People's Republic of China has pledged to enhance access to its markets for United States right holders. It will place no quotas on the importation of U.S. audio-visual products, and will allow U.S. record companies—subject to certain censorship concerns—to market their entire catalog. Finally, United States companies will be permitted to enter into joint ventures for the production and reproduction of their products in the People's Republic of China.

Mr. President, although I fully supported the position of the United States Trade Representative and would have fully supported the imposition of sanctions, ultimately imposing sanctions on the Chinese would have been a Pyrrhic victory. ''When two dragons fight, the grasses are trampled''; a trade war would have had disastrous effects on countless U.S. businesses, as well as overall Sino-American relations. I'm glad that we have avoided that outcome, and am pleased with the resulting agreement. I would like to commend Charlene Barshefsky, Deputy U.S. Trade Representative, for her hard work.

On March 8, our subcommittee will conduct a hearing on IPR in China and the Enforcement Agreement. I hope to learn about the agreement in detail from the United States Trade Representative's office, and to hear from representatives of private industry on their view of the accord. While the agreement is an important step forward, the true test will lie in its implementation; and we intend that the subcommittee will closely monitor compliance with the agreement over the coming months.●

P.S./WASHINGTON

• Mr. SIMON. Mr. President, readers of a newspaper column that I have written within the last 2 weeks were exposed to a tribute to First Lady Hillary Rodham Clinton and a serious discussion about public opposition to homosexuals in the military.

For the benefit of my colleagues, I ask that they be printed in the RECORD.

The columns follow:

THE HATERS TARGET HILLARY RODHAM CLINTON

(By Senator Paul Simon)

When I was about nine years old, my father took me to hear Eleanor Roosevelt speak. Even as a nine-year-old, I knew she had sparked controversy. My father, a Lutheran minister, told me that she stood for helping those in great need.

Years later I had the opportunity to meet her a few times, and on one occasion to sit next to her at a dinner. A plainspoken women of simple tastes but obvious conviction, she somehow stirred passionate opposition.

History now regards her as one of our finest first ladies.

I mention this because in a somewhat similar way, Hillary Rodham Clinton manages to generate strong feelings of disapproval from some. I confess I do not understand it.

I saw her leadership on the health care issue, and while some mistakes were made and the nation did not get health coverage for all our citizens, I have yet to meet anyone who sat in any of those meetings who did not come away impressed by her ability, her mastery of the subject, and her sincerity.

In one interview that has been published, she half-apologized for the way she has handled things.

She is not the person who should apologize; it is the mean-spirited haters who should reflect on their response.

There are those who expect the first lady to be present on official occasions, smile sweetly at the appropriate time, cut a ribbon for a new building or enterprise now and then but otherwise be devoid of opinion or influence.

That day has passed.

I have served under five presidents, beginning with Gerald Ford. All of their wives, starting with Betty Ford, are known to have played a role in public matters. Hillary Clinton has done it more openly.

Senator Bob Dole is the leading Republican candidate for President today. If he should be elected, Elizabeth Dole, a former cabinet member and now president of the American Red Cross, will not be some decorative figure sitting on the sidelines. ''Liddy'' Dole will make her presence felt on the national scene, if that situation arises, and I would want her to do that.

My wife, Jeanne Simon, has contributed significantly to what I have been able to do in public life, and I am grateful to her for that, and proud of her for that.

President Clinton brought to the White House someone whose leadership and base of conviction means much to all of us.

Her critics are noisier than her supporters. That is always the case.

But she should know that there are many of us who are grateful to her.

HOMOSEXUALITY AND MILITARY SERVICE

(By Senator Paul Simon)

''How can you support having homosexuals in the armed forces?'' a visibly angry woman asked me after a town meeting recently. ''Don't you believe in the Bible?''

I confess I am not much impressed by people who hate in the name of religion. But let me answer her question partially, since I do not claim to be a theologian.

When I was a boy, my father never had to call me aside and say, ''Paul, you ought to be interested in girls.'' I came by it very naturally. He had to give me other warnings!

Just as my interest in girls came naturally, that is not natural for a small percentage of men. There is evidence that there is a genetic basis for this difference among men, although the scientific research is less complete for women.

Regardless of the reasons for this difference, there are several issues that woman with the angry question should address.

If there is a military emergency and we have a draft, would you exempt anyone who says he is gay? The percentage of those claiming to be gay would suddenly escalate!

Because you mentioned the biblical basis for your beliefs, since the 10 Commandments mention adultery and not homosexuality, and adultery is condemned at least 40 times more than homosexuality in the Bible, should we keep anyone out of the service who has committed adultery? My recollection of my Army days is that would thin our ranks appreciably.

Or should we judge people by their conduct, not their genes? That makes sense to me.

When I was in the Army—long ago—I served in intelligence and we screened people for security clearances. Those who were gay were kicked out of the Army—that's a recent phenomenon—but they could not get security clearances because we judged that they could be blackmailed, certainly a proper judgment in the early 1950s.

But during those days, and during all of our previous wars, we had an armed service to be proud of, and it was inclusive.

There is also the problem of where you stop the practice of discrimination. If people cannot serve in the armed forces, what about the police force or fire department? What jobs would you let them have? Once you start the practice of discrimination, where do you stop?

I would finally ask that woman who is so righteously angry: What would you do if your son or daughter came home and told you that he or she is gay?

What would you do?

My guess is that even that hard heart would melt.

And become more understanding.•

UNANIMOUS CONSENT AGREEMENT

Mr. SARBANES. Mr. President, on behalf of Senator BYRD, I ask unanimous consent that the Byrd amendments be voted in the following sequence: amendment No. 252, amendment No. 254, amendment No. 255, amendment No. 253, and amendment No. 258; further, that amendment No. 289 be withdrawn.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

COMMENDING ROBERT D. REISCHAUER FOR HIS SERVICE TO THE CONGRESS AND THE NATION

Mr. HATCH. Mr. President, I ask unanimous consent that the Senate now turn to the consideration of Senate Resolution 81 submitted earlier today by Senator DOMENICI and others.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

The clerk will report the resolution.

The legislative clerk read as follows:

A resolution (S. Res. 81) commending Robert D. Reischauer for his service to the Congress and to the Nation.

Mr. HATCH. Mr. President, I ask unanimous consent that the resolution be agreed to; and that the motion to reconsider be laid upon the table.

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

Without objection, the preamble is agreed to.

The resolution (S. Res. 81) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, is as follows:

S. RES. 81

Whereas Dr. Robert D. Reischauer served as Director of the Congressional Budget Office from March 6, 1989 to February 28, 1995;

Whereas he previously served in that office in its formative years from February 28, 1975 to April 1, 1981 as a Special Assistant, Assistant Director, and Deputy Director;

Whereas he has ably and faithfully performed the difficult duties of the Director's office serving all Members of the Congress with great professional integrity and dedication;

Whereas he has maintained the high tradition of that office by providing critical analysis and review of complex fiscal policy issues pending before the Congress;

Whereas he has provided the Congress and the American public with analysis of these complex fiscal policy issues with candor, objectivity, and clarity;

Whereas he has performed the duties of his office with remarkable diligence, perseverance, and intelligence often at great sacrifice to his personal life; and

Whereas he has earned the respect, affection, and esteem of the United States Senate: Now, therefore, be it

Resolved, That the Senate of the United States commends Robert D. Reischauer for his long, faithful, and exemplary service to his country and to the Senate.

ORDERS FOR TOMORROW

Mr. HATCH. Mr. President, I ask unanimous consent that when the Senate completes its business today it stand in recess until the hour of 9 a.m. on Tuesday, February 28, 1995; that following the prayer, the Journal of proceedings be deemed approved to date; that the time for the two leaders be reserved for their use later in the day, and at that time the Senate resume consideration of House Joint Resolution 1.

I further ask unanimous consent that the Senate stand in recess between the hours of 12:30 p.m. and 2:15 p.m. in order for the weekly party caucuses to meet.

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

PROGRAM

Mr. HATCH. Mr. President, for the information of all of my colleagues, as previously announced, there will be up to 22 rollcall votes on amendments or motions beginning at 2:15 p.m..

In addition, I ask unanimous consent that after the first rollcall vote to begin at 2:15 p.m. tomorrow that all remaining stacked rollcall votes be limited to 10 minutes each.

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

Mr. HATCH. Therefore, I urge all Senators not to try to leave the Chamber during this period of voting.

RECESS UNTIL TOMORROW AT 9 A.M.

Mr. HATCH. Mr. President, if there is no further business to come before the Senate, and if no other Senator is seeking recognition, I now ask that the Senate stand in recess under the previous order.

There being no objection, the Senate, at 8:19 p.m., recessed until tomorrow, Tuesday, February 28, 1995, at 9 a.m.

NOMINATIONS

Executive nominations received by the Senate February 27, 1995:

DEPARTMENT OF LABOR

EDMUNDO A. GONZALES, OF COLORADO, TO BE CHIEF FINANCIAL OFFICER, DEPARTMENT OF LABOR. (NEW POSITION.)

NATIONAL COUNCIL ON DISABILITY

JOHN D. KEMP, OF THE DISTRICT OF COLUMBIA, TO BE A MEMBER OF THE NATIONAL COUNCIL ON DISABILITY FOR A TERM EXPIRING SEPTEMBER 17, 1997, VICE MARY MATTHEWS RAETHER, TERM EXPIRED.

DEFENSE BASE CLOSURE AND REALIGNMENT COMMISSION

JOSUE ROBLES, JR., OF TEXAS, TO BE A MEMBER OF THE DEFENSE BASE CLOSURE AND REALIGNMENT COMMISSION FOR A TERM EXPIRING AT THE END OF THE FIRST SESSION OF THE 104TH CONGRESS, VICE ROBERT D. STUART, JR., TERM EXPIRED.

IN THE ARMY

THE FOLLOWING-NAMED OFFICERS FOR PROMOTION IN THE RESERVE OF THE ARMY, UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTIONS 12203(A) AND 3383:

ARMY PROMOTION LIST

To be colonel

PETER P. BALJET, 000–00–0000
DANIEL F. BOWLINE, JR., 000–00–0000
JOHN E. BRAUN, JR., 000–00–0000
JAMES R. CARR, 000–00–0000
JAMES E. CHILDS, 000–00–0000
DONALD F. CURTIS, 000–00–0000
ROBERT S. FOLDESI, 000–00–0000
WILLIAM R. HERB, 000–00–0000
STANLEY LABIDOW, 000–00–0000
STEPHEN R. LEOPOLD, 000–00–0000
JAMES MARTIN, 000–00–0000
WILLIAM OBLEY, 000–00–0000
MICHAEL QUINN, 000–00–0000
LEWIS S. ROACH, 000–00–0000
DAVID H. SCOTT, JR., 000–00–0000
ROBERT STEADMAN, 000–00–0000
JAMES E. SWARTZ, 000–00–0000
GODFREY W. UPDIKE, JR., 000–00–0000
EUGENIO VEIGA, 000–00–0000

To be lieutenant colonel

WILLIAM R. AHONEN, 000–00–0000
EDWARD L. ARNSTON II, 000–00–0000
LOGAN B. BARBEE, 000–00–0000
RONALD FELTENBERGER, 000–00–0000
JOHN E. FIEG, 000–00–0000
JERRY T. GASKIN, 000–00–0000
DANIEL A. LOUVIERE, JR., 000–00–0000
ANTONIO P. MONACO, 000–00–0000
WILLIAM T. PATULA, 000–00–0000
GARY E. PELCAK, 000–00–0000
KEITH R. VOTAVA, 000–00–0000
MICH WHITEHEAD, 000–00–0000
MICHAEL W. WILSON, 000–00–0000

ARMY NURSE CORPS

To be lieutenant colonel

STEPHEN A. GREENE, 000–00–0000

THE FOLLOWING-NAMED OFFICERS, ON THE ACTIVE DUTY LIST, FOR PROMOTION TO THE GRADE INDICATED IN THE U.S. ARMY IN ACCORDANCE WITH SECTION 624, TITLE 10, UNITED STATES CODE. THE OFFICER INDICATED BY ASTERISK IS ALSO NOMINATED FOR APPOINTMENT IN THE REGULAR ARMY IN ACCORDANCE WITH SECTION 531, TITLE 10, UNITED STATES CODE:

CHAPLAIN

To be colonel

JACK N. ANDERSON, 000–00–0000
*EDMOND S. BORYCZ, 000–00–0000
MARK F. BREINHOLT, 000–00–0000
WILLIAM J. DELEO, 000–00–0000
JAMES A. DURHAM, 000–00–0000
MARK E. FENTRESS, 000–00–0000
WILLIAM H. HAMMANN, 000–00–0000
DOUGLAS S. MC LEROY, 000–00–0000
WILLIAM I. PHILIPS, 000–00–0000
LOUIE G. SCALES, 000–00–0000
KENNETH SCHROEDER, 000–00–0000
DONALD TAYLOR, 000–00–0000
PETER TELENCIO, 000–00–0000
LARRY A. WALKER, 000–00–0000
KARL K. WILLOUGHBY, 000–00–0000

THE FOLLOWING-NAMED OFFICERS FOR PROMOTION IN THE RESERVE OF THE ARMY, UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTIONS 12203(A) AND 3370:

CHAPLAIN CORPS

To be colonel

DUANE B. ANDERSON, 000–00–0000
WILLIAM GALLAGHER, 000–00–0000
RONALD P. HERZOG, 000–00–0000
JOHN E. JACKSON, 000–00–0000
SIDNEY J. MARCEAUX, 000–00–0000
JAMES J. WELCH, 000–00–0000

THE FOLLOWING-NAMED OFFICERS FOR PROMOTION IN THE RESERVE OF THE ARMY, UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTIONS 11203(A) AND 3366:

CHAPLAIN CORPS

To be lieutenant colonel

ARTHUR D. BACON, 000–00–0000
RICHARD L. BEARDEN, 000–00–0000
DEWITT T. BELL, 000–00–0000
GEORGE M. CAMPBELL, 000–00–0000
ELEAZAR CARMONA, 000–00–0000
ANDRE C. CIEPLY, 000–00–0000
STEVEN P. CORUM, 000–00–0000
CHRISTIAN DAHLBERG, 000–00–0000
ROBERT H. FORREST, 000–00–0000
JAMES G. HARRIS, 000–00–0000
GARY E. HILL, 000–00–0000
DAVID A. IRISH, 000–00–0000
JOHN D. JOHNSON, 000–00–0000
BENJAMIN D. KILLIAN, 000–00–0000
MARK S. LARSON, 000–00–0000
DANNY W. MARKSBERRY, 000–00–0000
MICHAEL T. MC EWEN, 000–00–0000
CURTIS MC LILLY, 000–00–0000
THOMAS H. MOODY, 000–00–0000
RAYMOND E. MOORE, 000–00–0000
PATRICK D. NEAL, 000–00–0000
BRUCE M. RUX, 000–00–0000
CHARLES E. SIMPSON, 000–00–0000
JOHN W. SIPPOLA, 000–00–0000
GEORGE F. SPENCER, 000–00–0000
THOMAS A. STAFFORD, 000–00–0000
TERRY W. SWAN, 000–00–0000
MARVIN D. SWEEZY, 000–00–0000
HARRY F. SZCZESNIAK, 000–00–0000
ALFRED A. TERRELL, 000–00–0000
JAMIE A. THOMAS, 000–00–0000
JOHN H. THURMAN, 000–00–0000
JON M. WRIGHT, 000–00–0000

IN THE ARMY

THE FOLLOWING-NAMED OFFICERS, ON THE ACTIVE DUTY LIST, FOR PROMOTION TO THE GRADE INDICATED IN THE U.S. ARMY IN ACCORDANCE WITH SECTION 624, TITLE 10M, UNITED STATES CODE.

To be colonel

ADAMS, ANDREW E., 000–00–0000
ADAMS, BILLY J., 000–00–0000
ALLEN, HARRY P., 000–00–0000
ANDERSON, DORIAN T., 000–00–0000
ANDERSON, LARRY D., 000–00–0000
ANGELSCHULTZ, DEBOR, 000–00–0000
ANKLEY, STEVEN P., 000–00–0000
ANSLEY, STEPHEN P., 000–00–0000
ATKINSON, WILLIAM E., 000–00–0000
BABYLON, WILLIAM T., 000–00–0000
BAKER, CHARLES B., 000–00–0000
BARRY, JAMES M., 000–00–0000
BEAN, GREGOY G., 000–00–0000
BEASLEY, BRAD M., 000–00–0000
BEATY, DOUGLAS R., 000–00–0000
BECK, CHARLES D., 000–00–0000
BENEDICT, JONATHAN, 000–00–0000
BENFER, DENNIS E., 000–00–0000
BENSON, ROBERT A., 000–00–0000
BERLIN, CHARLES H., 000–00–0000
BERO, VICTOR J., 000–00–0000
BERRY, CORLIS S., III, 000–00–0000
BERTOCCHI, STEPHEN, 000–00–0000
BESSLER, JAMES E., 000–00–0000
BLYTHE, MICHAEL J., 000–00–0000
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EXTENSIONS OF REMARKS

IN MEMORY OF LUCIAN C. CRUTCHFIELD AND WILLIAM F. BROOKS

HON. MICHAEL R. McNULTY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, February 27, 1995

Mr. McNULTY. Mr. Speaker, on March 5, 1995, in a small town in northern Italy two United States B–25 Airmen, 2d Lt. Lucian C. Crutchfield of San Antonio, TX and Flight Officer William F. Brooks of Cohoes, NY, both killed during World War II, will be recognized at a ceremony in which a granite memorial will be dedicated in their honor. Mr. Larry Pisoni, now a U.S. citizen, and coordinator of the event entitled "Thank You America," explains his realization of a lifelong dream in the attached article which appeared in the Capital, an Annapolis, MD, newspaper, on February 7, 1995.

[From the Capital, Feb. 7, 1995]

ANNAPOLIS MAN PLANS RETURN TO ITALY TO DEDICATE MONUMENT FOR U.S. FLIERS

(By Michael Cody)

In the 50 years since Nazi soldiers executed two U.S. airmen near his hometown in Italy, Lorenzo Pisoni has taken America's heroes as his own.

Next month, 12 miles from Vezzano and thousands of miles from his new home in Annapolis, Mr. Pisoni 57, will dedicate a monument to 2nd Lt. Lucian C. Crutchfield of San Antonio, Texas, and Flight Officer William F. Brooks of Cohoes, N.Y.

They were among a crew of seven aboard a B–25 bomber that was shot down on Feb. 27, 1945, while trying to cripple a railroad through the Adige River valley.

Mr. Pisoni was 7 then, and was called ''Enzo'' by family and friends. He was having lunch in a second-story room when he saw each member of the crew bail out, and each parachute open.

Many years later, while examining U.S. documents, Mr. Pisoni confirmed that the plane went down at 11:57 a.m., just as he was eating his meal. From 1943, when Allied bombing began in earnest, until the end of the war, he never saw another plane destroyed.

Some of the B–25 crew members were taken prisoner by Nazi soldiers. Others escaped capture with help from brave, anti-Nazi partisans.

''It was risky. The German law compelled them to turn them in right away. If they didn't, they could have killed them—they had to keep the people in terror,'' Mr. Pisoni said.

The feared SS took 2nd Lt. Crutchfield, the co-pilot, and Flight Officer Brooks into custody.

The next day, Enzo went to his little town's square. He doesn't remember why. Possibly it was the rumor of American prisoners that drew him.

He saw the prisoners, led by two Nazis—one tall, and one small.

The Americans looked healthy and honest, not at all the monsters described in Nazi propaganda.

The group walked out of town, south ward toward Arco, a much larger city. Along the mountain trail in the Italian Alps, partisans said, 2nd Lt. Crutchfield slipped. Flight Officer Brooks stooped to help him.

Both were shot and killed. The SS reported they were trying to escape.

''They just mowed them down,'' said Charles Reagin, of Cory, Ind., the plane's radio operator, who was captured separately and spent the rest of the war in a prison camp.

The news traveled quickly, even among a populace hardened to conflict.

''My life was greatly influenced by this episode,'' Mr. Pisoni said. ''They (the SS) said they wanted to escape, but no one believed that.''

And long after the war, when he had graduated from an Ohio college and had become a U.S. citizen, Lorenzo ''Larry'' Pisoni drove past the spot in Italy and thought of the men who died for another country as well as their own.

''It's time to say thank you,'' he said, describing a March 5 ceremony he helped plan. The airmen's survivors and 12,500 Italian families are invited.

The regional administration of Trentino-Alto Adige has lent its support to the event, and a local stonecutter has donated granite for the monument.

''At this spot, on Feb. 28, 1945, two American airmen were shot by Nazis,'' its tablet will say, in two languages. They were two of more than 38,000 Americans who gave their lives on Italian soil during World War II to help Europeans of good will regain freedom and democracy.''

An Alpine bank is practicing American songs in honor of 2nd Lt. Crutchfield.

Mr. Pisoni, who splits his time between Annapolis and Vezzano, said he expects all five surviving crew members to attend, including Mr. Reagin, pilot Jay DeBoer of Virginia Beach, Va., and navigator Robert Cravey of Thomaston, Ga.

Mr. DeBoer escaped from the Germans crossing the Swiss border disguised as a monk, while Mr. Cravey was hidden by an Italian family.

''It's going to be an emotional thing,'' said Mr. Reagin, a retired Air Force master sergeant. ''Not only going back with the guys, but going to that spot.''

Mr. Pisoni, owner of Gourmet Italia, a pasta-importing firm, said he didn't start the monument effort to reconstruct what happened. ''I like to consider this a symbol of what the United States has done for Europe. The U.S. is the only country in the world that has helped its former enemies.''

IN SUPPORT OF H.R. 227—THE INTERSTATE WASTE ACT OF 1995

HON. HAROLD ROGERS

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Monday, February 27, 1995

Mr. ROGERS. Mr. Speaker, the American people said loudly and clearly that they want Washington bureaucrats out of their hair. This is especially true in the hardworking, patriotic areas of eastern Kentucky. Well, I agree with these citizens, and that is why I rise today in strong support of H.R. 227, the Interstate Waste Act of 1995, and urge its immediate passage by the House.

I firmly believe that local citizens ought to have the right to make decisions regarding their lives. As we return power to our communities, we should start with the regulation of out-of-State trash. Simply stated, local citizens should have the final say whether their town becomes a national garbage dump—not the Supreme Court or Washington know-it-alls.

H.R. 227 is the way to accomplish this goal. It says that, and I'm quoting from the bill.

[E]ffective January 1, 1996, a landfill or incinerator in a State may not receive for disposal or incineration any out-of-State municipal solid waste unless the owner or operator of such landfill or incinerator obtains explicit authorization from the affected local government to receive the waste.

What a concept. Local people making local decisions. In Kentucky, we call this horse sense. Washington could sure use a strong dose of that, Mr. Speaker.

But seriously, this is a fundamental right of our local communities, and they have waited far too long for us to give them that right. We were close last year—the House passed the bill unanimously in the 11th hour of the session. But unfortunately, the session ended before the Senate could take action.

But we are moving again this year. I have spoken to my good friend and colleague, the gentleman from Ohio [Mr. OXLEY], who is the chairman of the Subcommittee on Commerce, Trade and Hazardous Materials which has jurisdiction over this bill. He has assured me that this legislation will get a fair hearing in the subcommittee and he is confident that we can bring it before the full House for floor consideration.

Mr. Speaker, this is a critical issue that we must deal with and I am committed to seeing that H.R. 227 is acted on this year.

We need jobs, clean water, and good roads in Kentucky—not tons of trash from Florida.

PREVENTION OF PROGRESSION TO END-STAGE RENAL DISEASE

HON. FORTNEY PETE STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 27, 1995

Mr. STARK. Mr. Speaker, I would like to address this issue of kidney disease and its progression to end-stage renal disease [ESRD]. The Social Security Act section 1881 has established the ESRD Program as part of Medicare in order to provide treatment for patients with renal failure. Currently there are about 200,000 beneficiaries of the ESRD Program. The average ESRD patient is now costing the health care system—primarily Medicare—an estimated $51,000 per year, or $4,250 per month. The number of patients entering the ESRD Program is increasing, and these patients are sicker than in the past. Obviously, delaying the onset of kidney failure could greatly improve a patient's quality of life and

simultaneously save Medicare substantial amounts of money.

An ESRD patient can choose either transplantation or dialysis. Without these measures, kidney failure is lethal. Dialysis, a mechanical cleansing of the blood, is disruptive to an individual's lifestyle and negatively impacts on one's quality of life. The work force is diminished daily as patients learn that they must begin dialysis treatment. In fact a recent study found that only 11 percent of the interviewed patients were employed. If we focused our energies on delaying the day which a patient must accept the burden of dialysis, we could realize a cost savings and improve the patient's quality of life.

As a result of the evidence before us, I am today introducing legislation to require the Medicare agency to conduct a 3-year demonstration program to quantify the cost and benefits associated with identifying patients who are approaching renal failure, providing a range of services to them, and thus effectively delaying the onset of complete renal failure. The demonstration will attempt to determine whether the savings from a prevention program, including improvement in quality of life measurements and job retention, exceed the cost of the preventive services themselves.

The prevention of progression to renal failure should be the primary focus when constructing treatment goals for patients with renal disease. While all the preventive measures that will consistently produce an increase in survival are as yet undetermined, there is a wealth of evidence that many patients can be effectively managed so as to delay the day that dialysis is needed to survive. I feel that the medical community knows enough about such preventive strategies and the patient populations that would most benefit from them to explore the idea of extending the Medicare ESRD benefit package to these patients prior to dialysis.

A recent NIH consensus panel concluded that because comorbid factors affecting the outcome of renal disease are present prior to the onset of renal failure, patients should referred to a renal team for evaluation before dialysis begins. This team should consist of a physician, nurse, social worker, dietitian, and mental health professional and focus on the reduction in mortality and morbidity of the patient. There should be an interest in controlling hypertension and diabetes, reducing cardiovascular risk factors, correcting metabolic, endocrinologic, and hematologic abnormalities, treating underlying illnesses, evaluating and modifying psychological and social stressors, and setting nutritional parameters.

More specific guidelines for the prevention of progression to renal failure that can be undertaken encompass the following: First, encouraging smoking cessation, reducing obesity, increasing aerobic exercise, reducing the intake of fat and cholesterol, correcting anemia, monitoring calcium and phosphorous; second, implementing the most recent American Diabetic Association guidelines for strict management of diabetes; third, reducing exposure to environmental toxins including analgesic abuse, lead poisoning, and other nephrotoxins; fourth, managing hypertension through prescription of angiotensin converting enzyme inhibitors and calcium channel blockers preferentially; fifth, regulating diet to maintain normal acid-base balance and intravascular fluid volume; and sixth, evaluating and correcting malnutrition.

Diabetes is the No. 1 cause of renal failure in the United States. Approximately 25–35 percent of new ESRD patients have diabetes as the underlying etiology. Greater than 65 percent of all ESRD is due to diabetes and hypertension combined. The intensive management of both hypertension and diabetes has the benefit of reducing the time to the onset of dialysis. Although the progression to ESRD is rare in people with hypertension, there is the paradox of its continuing increase despite improvements in blood pressure control in the general population and reduction in mortality from other complications associated with hypertension. Cardiovascular mortality accounts for approximately 50 percent of deaths in patients receiving dialysis, highlighting the need for control of risk factors such as hypertension, smoking, anemia, obesity, and lipid abnormalities.

Furthermore, the racial differences manifested in the increased risk of hypertension-related ESRD for blacks, and the excess risk of ESRD for low income, poorly educated blacks and whites must stimulate new evaluation of these problems. The correlation between lower socioeconomic status and ESRD has been examined, with several inter-related factors possibly playing a role, including: lack of appropriate access to health care, lack of a primary care physician, lack of insurance, and non-compliance with a treatment regimen. Further examination of the relationship between hypertension, renal disease, and the interrelated factors must be undertaken in order to develop and implement viable treatment regimens that will have lasting effects.

The patients in the ESRD Program have not only suffered through the tremendous burden of kidney failure, but their quality of life is further worsened by factors that can be corrected. The medical community needs to identify patients with renal disease prior to the onset of renal failure in order to reduce the burden of dialysis, thereby allowing these patients to remain viable members of the work force. The benefits of weight loss, regulation of fat intake, and reduction of stress have all become commonplace in the layperson's repertoire of medical knowledge. Strict control of diabetes, hypertension, diet, and psychological stressors can also have a real benefit for patients with kidney disease in reducing the onset of renal failure, subsequently improving the quality of life, and ultimately retrieving some patients from the brink of dialysis.

RISK ASSESSMENT/COST BENEFIT ANALYSIS

HON. RON PACKARD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 27, 1995

Mr. PACKARD. Mr. Speaker, Republicans continue to move forward with their agenda for a smaller, less costly, less intrusive government. Last week House Republicans took the first step in rolling back the regulatory tide. Passage of the Regulatory Transition Act gives the American taxpayers a time out from the crushing regulatory load. Now we must work for long term regulatory reform.

The regulatory reform provision within our contract with America introduces commonsense approaches that will assist Federal agencies in prioritizing regulatory decisions-ensuring that limited public resources are targeted to the greatest needs our Republican proposal favors cost effective regulation to address real risks.

All regulatory agencies must use risk assessment, sound science, and cost-benefit analysis for all regulations. Federal agencies must check to see if the regulation makes sense before taxpayers bear the costly burden, each year Government regulations cost approximately $600 billion.

The Republican commonsense approach to regulatory reform works for a smaller, less costly, and less intrusive Government risk assessment and cost benefit analysis will force the Federal Government to be accountable for their actions. The American people deserve to know that their tax dollars will be used wisely to serve their needs, not the needs of the Federal Government.

TRIBUTE TO ROBERT WAGNER

HON. CARLOS J. MOORHEAD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 27, 1995

Mr. MOORHEAD. Mr. Speaker, I rise today to salute Mr. Robert Wagner, an outstanding resident of my congressional district. I have been privileged to become acquainted with Mr. Wagner over the years through his many community activities and through his strong interest in public policy.

A veteran of World War II, Mr. Wagner served honorably from 1940 until 1945. After graduating from Georgetown University's School of Foreign Service in 1948, he launched a successful business career in south Pasadena. Mr. Wagner's loyalty to his alma mater continued, however, and he was honored by Georgetown for his many consistent years of alumni service.

Mr. Wagner has demonstrated tireless service on behalf of senior citizens and is, in fact, my appointee to the 1995 White House Conference on Aging. He has been a senior senator in the California Senior Legislature since 1988. This work earned him a Distinguished Public Service Proclamation from the mayor of South Pasadena. Mr. Wagner is retiring from the Senior Legislature this year where I am sure he will be missed.

In addition, he has somehow found time to contribute his energies to various civic and humanitarian organizations in and around South Pasadena. These efforts have not gone without notice. Mr. Wagner has been the recipient of the YMCA Service to Youth, award, the Rotary Club Merit Award, a Certificate of Appreciation from the University of Southern California, and the Los Angeles County Board of Supervisors Award for distinguished public service.

Robert Wagner offers proof that one dedicated citizen can make a positive impact on the community in which he or she lives. I am glad to take a moment to publicly recognize his many years of volunteer service and devotion to those around him. We certainly wish Robert, his wife Bernice, and their three children the best.

THE SEMICONDUCTOR INVESTMENT ACT OF 1995

HON. NANCY L. JOHNSON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Monday, February 27, 1995

Mrs. JOHNSON of Connecticut. Mr. Speaker, today I am pleased to join my Ways and Means Committee colleagues, Representatives ROBERT MATSUI, PHIL CRANE, and BARBARA KENNELLY, as well as Congresswoman ANNA ESHOO, in introducing the Semiconductor Investment Act of 1995. This legislation will enhance the international competitiveness of the U.S. semiconductor industry by changing the statutory life of semiconductor manufacturing equipment to more accurately reflect the industry's rapid pace of technological change. This change in the tax depreciable life of semiconductor manufacturing equipment from 5 years to 3 years will enable U.S. semiconductor manufacturers to recover capital costs incurred in maintaining state-of-the-art facilities over a period that more closely approximates economic life.

Semiconductors are at the core of all aspects of the information highway. They drive technological advances in computers, telecommunications and consumer electronics, and change our society in ways ranging from telecommuting to electronic banking to promoting citizen access to legislation through the Internet. Semiconductors are at the heart of the $500 billion U.S. electronics industry that employs more than 2 million Americans. The U.S. semiconductor industry alone provides over 200,000 high-skilled American jobs and has recently regained its position as the world's leading producer of chips. It is a highly capital intensive industry that demands continuing changes to manufacturing infrastructure.

This dynamic industry is based on ever-evolving technology. The rapid pace of technological change makes semiconductor manufacturing equipment obsolete, technologically and economically, soon after being placed into service. Recent economic studies and normal business practices indicate that such equipment should qualify for a 3-year depreciable life under tax depreciation rules because two-thirds of the equipment's economic usefulness is exhausted in the first 2 years and the equipment's full economic life is less than 4 years. However, current U.S. tax rules depreciate semiconductor manufacturing equipment over 5 years, a period significantly longer than the equipment's true economic life. As a result, the U.S. semiconductor industry is at a competitive disadvantage with foreign firms whose cost recovery rules more accurately reflect economic reality.

Japanese semiconductor producers, for example, may depreciate up to 88 percent of their manufacturing equipment in the first year. U.S. producers, on the other hand, may depreciate only 20 percent in the first year. Thus, existing U.S. cost recovery rules are a key factor in determining whether firms build new plants in the United States or overseas. In view of the fact that the global semiconductor industry is expected to invest $120 billion in capital expenditures during the remainder of this decade, we need more accurate cost recovery rules to ensure that much of that investment is made here—not overseas.

To compete in today's global market, our domestic manufacturers must be able to recover the cost of their capital investments in a timely manner. Reducing the depreciable life of semiconductor manufacturing equipment to 3 years will enable U.S. semiconductor manufacturers to invest the capital needed to keep pace with rapid technological changes and strengthen their international competitiveness.

Mr. Speaker, it is my hope that, as the Committee on Ways and Means reviews the operation of the existing cost recovery rules in the context of the Contract With America, we may have the opportunity to update this narrow, but economically significant, aspect of our cost recovery rules. I urge my colleagues to join us as sponsors of this initiative to keep the United States the home of cutting-edge semiconductor technology.

REGULATORY TRANSITION ACT OF 1995

SPEECH OF

HON. NANCY PELOSI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 23, 1995

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 450), to ensure economy and efficiency of Federal Government operations by establishing a moratorium on regulatory rulemaking actions, and for other purposes:

Ms. PELOSI. Mr. Chairman: I rise today in strong opposition to H.R. 450, the Regulatory Transition Act. This is an ill-conceived bill with unknown and unintended consequences. For example, this bill could halt trade sanctions against China if passed in its current form.

Health and safety regulations are also at risk. Passage of this bill could result in another outbreak of the E. coli bacteria if food inspection regulations are not implemented.

In addition, testing standards for urban water supplies would also be endangered, possibly resulting in another outbreak of cryptosporidium which contaminated the water supplies of Washington, DC and Milwaukee.

Mr. Chairman, regulations need to be reformed, not eliminated. This bill poses a serious threat to the health and safety of all Americans.

The enormously broad scope of H.R. 450 represents an assault on one of the basic functions of the Federal Government—protecting public safety and health.

In calling for a regulatory time-out on things like consumer, worker, and environmental protections, the Republican extremists are attempting to dismantle some of our Nation's most critical health and safety standards and protections.

I urge my colleagues to oppose this legislation.

TRIBUTE TO DR. CHARLES W. JENSEN III

HON. CHRISTOPHER SHAYS

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Monday, February 27, 1995

Mr. SHAYS. Mr. Speaker, I would like to take this opportunity to extend my condolences to the Jensen family of Riverside, CT, for the loss of their son and brother. Dr. Charles W. Jensen III, 34, a doctor of dental medicine in Greenwich, CT, who died suddenly last Monday morning at his office in Greenwich.

A resident of Stamford, he previously lived in Greenwich and Darien. He had been practicing dentistry for almost 8 years and had just taken over the practice from his father, who retired at the end of December.

Dr. Jensen was an avid sportsman whose special interest was sports fishing. His other interests were softball and golf, and he was a member of the Innis Arden Golf Club.

Born August 24, 1960, in Goldsboro, NC, he moved to Greenwich when he was a year old. He was a 1979 graduate of Greenwich High School, graduated magna cum laude from Fairleigh Dickinson University and was a 1987 graduate of the University of Connecticut Dental School. He was a member of the American Dental Association, the Connecticut State Dental Association, and the Greenwich Dental Society.

In addition to his father, he is survived by his mother, Rachel Vuono Jensen of Riverside; three brothers, James S. Jensen of Silver Spring, MD, Thomas F. Jensen of San Ramon, CA, and Daniel T. Jensen of Riverside; two sisters, Mary Beth Jensen of Park City, UT, and Kathleen Bellissimo of Los Altos, CA; and his girlfriend, Rachel Gregg, of New Canaan, CT.

Charlie will always be remembered as a genial, engaging person of rock solid integrity. The very mention of his name elicited a warm smile and a laugh from all those who knew him. Whether fishing off the shores of Nantucket, boating on Long Island Sound, or caring for his patients in the dental office, Charlie will always be remembered as a wonderful brother, trustworthy friend, and a dedicated professional.

John W. Moffly IV, a long-time friend of the Jensen family, recently stated, ''I so much admired Charlie, not only as a professional, but as a person * * * he took such great interest in his patients that I never had a single doubt that whatever the problem, he would find the right solution * * * certain doctors rise above the norm and earn special recognition for their talent, dedication and humanity. This was Charlie.''

Mr. Speaker, Dr. Charles W. Jensen III will be very, very missed.

TRIBUTE TO LES T. DAVIS

HON. DAVID R. OBEY

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Monday, February 27, 1995

Mr. OBEY. Mr. Speaker, I want to take this opportunity to bring to my colleagues' attention the work of a true pioneer in the field of

supercomputing on the occasion of his retirement. Lester ''Les'' T. Davis, chief operating officer and one of the cofounders of Cray Research, Inc. in Chippewa Falls, WI, recently announced he would retire after 22 years with the company.

Cray Research began in Chippewa Falls in 1972 as a small start-up company with a handful of employees. Les Davis took financial risks, made personal sacrifices, and worked extraordinarily long and hard to create the first broadly used supercomputer. That in turn created a new industry, and with it the company that became synonymous with supercomputing. Cray now has 5,000 employees worldwide.

Mr. Davis has served as the heart and soul of Cray Research, exhibiting both technological and managerial leadership. In addition to his role as the technical and design leader of the company, he has also been Cray Research's No. 1 salesperson, winning and retaining many global customers over the years with his thorough knowledge of Cray architecture, software, and applications.

Mr. Davis has made a significant contribution to the people of Chippewa Falls by helping to increase the economic development in that area for over two decades. He also has made an exceptional contribution to our Nation in advancing America's leadership in the critical field of supercomputing.

I want to thank Mr. Davis for his vision and the spirit he instilled in our Nation's scientific community. We all wish him the best in whatever his future holds.

A TRIBUTE TO JAMES F. BOATRIGHT

HON. RONALD V. DELLUMS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 27, 1995

Mr. DELLUMS. Mr. Speaker, I rise today to pay tribute to a distinguished public servant, Mr. James F. Boatright, as he retires on March 3 from his position in the Department of the Air Force. Mr. Boatright's Federal career spans 39 years of service. He served as a commissioned officer in the Army and then entered the Federal civil service where he has served in the Bureau of Reclamation, the Army Corps of Engineers, the Army Research and Development Laboratory, and with the Air Force. Since 1979 he has served with great distinction as the Deputy Assistant Secretary of the Air Force for Installations. It is in this capacity that we in the Congress has become acquainted with and appreciative of the many talents of Jim Boatright.

During the buildup of our military forces throughout the early 1980's, Jim Boatright spearheaded the efforts of the Department of the Air Force to modernize its facilities championing quality of life in both the workplace and the living environment long before it became the catchword of the Department of Defense. His efforts succeeded in providing benefits to all members of the Air Force, active, reserve and civilian, as well as to their dependents who accompanied them to Air Force installations worldwide. Those installations have come to be regarded as a source of pride throughout the Department of the Air Force and have served to set the standard of excellence for which others strive.

With the onset of downsizing of our military forces, Jim Boatright became the focal point for the Air Force in its planning to downsize its infrastructure. Throughout the first three rounds of base closure Jim Boatright has directed the Air Force efforts to reduce and he did so with the same dedication and professionalism which has been characteristic of his career.

The quality of his performance has been recognized by numerous awards, including the Presidential Meritorious Executive Rank Award, the Presidential Distinguished Executive Rank Award and the Department of Defense Distinguished Civilian Service Award. He is the only two-time awardee of this latter prestigious award. Clearly these awards bespeak the respect of those for whom and with whom he has worked in the Department of Defense. In his relations with the Congress, particularly the Armed Services Committees and the Defense subcommittees of the Appropriations Committees, he was respected above all else for the integrity with which he dealt with us.

Mr. Speaker, I salute Jim Boatright for his many achievements throughout his distinguished career and I wish him good health and godspeed as he and his wife Gloria begin their most well earned retirement.

REGULATORY TRANSITION ACT OF 1995

SPEECH OF

HON. ROBERT A. UNDERWOOD

OF GUAM

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 23, 1995

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 450), to ensure economy and efficiency of Federal Government operations by establishing a moratorium on regulatory rulemaking actions, and for other purposes:

Mr. UNDERWOOD. Mr. Chairman, I rise today in support of the bipartisan Condit-Combest amendment to H.R. 450, the Regulatory Transition Act. This amendment seeks to extend the regulatory moratorium on rule making to include further listings of endangered species and the designation of critical habitat under the Endangered Species Act [ESA].

Congress is preparing to reauthorize and reconstruct the Endangered Species Act. Until this is done, or until the end of the 104th Congress, the Interior Department should not be permitted to continue to acquire land for habitat designation. The Condit-Combest amendment ensures that this kind of activity is stalled until Congress has time to improve the Endangered Species Act.

The U.S. Fish and Wildlife Service has been charged and entrusted with the protection of America's unique animal species, but this must be balanced with the rights of private land owners, especially ancestral land owners. As Congress and the Committee on Resources reauthorizes the Endangered Species Act, I will fight to bring diligent science and responsible Federal action back into the equation. Scrupulous science should be the hallmark of critical habitat designation, not impetuous land grabbing.

On October 1, 1993, the U.S. Fish and Wildlife Service acquired title to 370 acres designated as excess by the U.S. Navy at Ritidian, Guam, for a wildlife refuge headquarters. This land grab came even after strong objections by my office and the Government of Guam to the U.S. Department of the Interior.

The U.S. Fish and Wildlife Service's rationale to establish a refuge for Guam's declining bird population is based on weird science. The refuge was established to protect several bird species that have ellegedly become endangered. However, these populations are declining because of the introduction of the nonindigenous brown tree snake, not the lack of suitable habitat. Habitat protection will only lead to the protection of the brown tree snake and the further decline of these species. This is one example of how good science and not arbitrary habitat protection could improve the Endangered Species Act. Alternatives to habitat protection should be considered by Congress as it reforms the ESA. Land grabs such as this one must not be allowed to continue in the name of habitat preservation.

In addition to grabbing 370 acres for a refuge headquarters, the Fish and Wildlife Service has imposed on Guam a 22,873 acre wildlife refuge to protect those endangered bird species. The Federal Government continues to believe that Uncle Sam knows what is best for the people of Guam. It does not. The people of Guam know what is best and insist in shaping their own destiny and that of the island.

Guam's answer to this problem is a comprehensive land conference process taking into account historical injustices as well as the need to protect our endangered bird species and the presence of the military. The Federal Government's answer is to arbitrarily dictate 25 acres per endangered bird with no regard to sound science. Guam wants to protect its endangered species, but what we are left asking ourselves this question: What is the Federal allocation for an endangered people?

While it appears that the Federal Government has lost any sense of coherent policy toward Guam, Guam will not continue to allow bureaucracies to impose their will on our people. Whether that bureaucracy is the Fish and Wildlife Service, the National Park Service, the Department of the Interior, or the U.S. military, we will stand against any abusive action. No longer will the people of Guam wait to see what regulation or other action the Federal Government will inflict on us next.

This type of bureaucratic insolence has caused even environmentalists like myself to be opposed to the actions of the Fish and Wildlife Service. These actions are out of control and I believe a moratorium is necessary for this agency to consider its actions with regard to regulations issued under the Endangered Species Act for habitat preservation. I support a review of ESA, of its successes and its failures. Decision making should be shifted closer to the people and away from Washington so that Federal action can be more responsive to our local communities.

REGULATORY TRANSITION ACT OF 1995

SPEECH OF

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 23, 1995

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 450), to ensure economy and efficiency of Federal Government operations by establishing a moratorium on regulatory rulemaking actions, and for other purposes:

Mr. STOKES. Mr. Chairman, I rise in strong opposition to H.R. 450, the Regulatory Transition Act of 1995. We cannot and should not, in an attempt to reform regulations, shirk our responsibility to act in the best interest of the American people by totally curtailing essential regulations that protect the public. This flawed and hurried legislation will not only fail to truly reform the few regulations that need it but will endanger the American public by stripping away the services and protections Congress is obligated to provide.

The bill before us today, the Regulatory Transition Act of 1995, will not only attempt to undo many of the important accomplishments of the U.S. Congress, Federal agencies, and the President of the United States but also seeks to undermine many of our most important efforts to improve the quality of life for all Americans.

The stated purpose of the Regulatory Transition Act is to impose a moratorium on regulatory rulemaking actions by Federal agencies. The bill establishes a moratorium period beginning on November 9, 1994, and ending June 30, 1995. Except for a few special interest exceptions granted to friends of the new majority, any regulatory action taken during this period would be suspended until July 1, 1995.

While I agree that Congress should reform regulations where needed, this proposed measure goes well beyond this legitimate objective of balancing responsibilities. In fact, this bill is specifically designed to inhibit the will of the people by creating artificial obstacles to congressional support for programs the current majority has long sought to weaken, if not totally eliminate, including laws that protect the environment, strengthen crime control, and heighten worker and citizen safety.

H.R. 450 will have a devastating impact on the environment. As a Representative of the urban district of Cleveland, OH, I have witnessed the severity of the environmental problems this Nation and its inner cities now face. The quality of most urban air and water in this country is in dire need of immediate attention.

Mr. Speaker, without regulations concerning the Clean Water Act, the Clean Air Act, and or others promulgated by the Environmental Protection Agency or OSHA—all measures that represent significant steps toward remedying the effects of environmental devastation and injustice—the American people and all future generations will be harmed forever.

I am certain that no one in this House would want to increase the risk of disease, dysfunction, and premature deaths caused by exposure to toxic emissions from cadmium, lead, mercury, or dioxin. But that is exactly what H.R. 450 would do. It would slam the door on an EPA rule that would reduce emissions from cadmium, lead, and mercury from municipal waste incinerators.

Of equal importance is the negative impact of H.R. 450 on the FDA rule designed to ensure that mammograms for breast cancer detection are properly administered and interpreted. The breast cancer incidence rate in women increased from 85 per 100,000 in 1980 to 112.3 in 1991. This trend calls for more intensive breast cancer screening that includes mammography, a procedure which clearly reduces death from the disease. FDA regulation would enhance our effort to alter the course of the breast cancer epidemic. But none of these regulations written for the good of the public may survive and Republicans plan to dismantle the general public's Federal protection against needless death.

This bill will also significantly compromise citizen and worker safety. Last year, over 10,000 American workers died in the workplace. Another 70,000 were permanently disabled, and more than 100,000 contracted fatal occupational illnesses. H.R. 450 will greatly inhibit our ability to protect the American population from unsafe products, dangerous working conditions, and avoidable disasters. I cannot in good conscience endanger American workers by supporting this bill.

In addition to endangering the health and lives of Americans, approval of H.R. 450 would result in additional Government waste. Surprisingly enough, the antilitigation Republicans have included in this legislation provisions that will lead to a proliferation of administrative lawsuits. H.R. 450 creates a new cause of action for those who claim that they have been adversely affected by Agency action. This law will lead to a myriad of lawsuits brought by anyone who does not like some regulation created by the Federal Government, wasting time, money, and limited Government resources.

Mr. Speaker, this legislation is unprecedented in its scope. Few areas of Federal regulation will be unaffected by this measure, yet, with very little opportunity for open hearing, and with limited debate, this act has been placed before us. A measure of this kind requires detailed analysis of the impact it may have on the American people, but no such review has or will take place. In the current rush to force this bill to the floor of this House, the will of the American people will certainly be compromised.

Furthrmore, Mr. Speaker, this legislation will not only have a dramatic and disastrous impact on future regulation, it will also affect existing regulations. Important rules essential to efficient clarification, tailoring, and consolidation, by enhancing standards, or by enhancing the scope of the original regulation, will all be inhibited by this bill.

Important measures placed in jeopardy by this proposed legislation include virtually every aspect of governmental activity, from the protection of our citizens' civil rights to ensuring safe food and drink for our children. Any proposed regulation that is designed to protect workers and citizens from unnecessary injury, protect the environment, or promote equity, will be subject to exclusion under this bill.

Mr. Speaker, it is my belief that H.R. 450 and the circumstances under which it is presented in this House is an attempt to mislead the American people to believe that cookie-cutter, simplistic solutions will cure what ails this Nation. Nothing could be further from the truth. As our Nation faces an epidemic of pollution, discrimination, and poverty, the solution to these problems will not be found in quick fixes like H.R. 450. The American people elected us to act in their best interest, not compromise their welfare because Government refuses to have the courage to meet its obligations. I urge my colleagues to vote against this bill.

GOP WELFARE PLAN IGNORES WORK

HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 27, 1995

Mr. MILLER of California. Mr. Speaker, the so-called welfare reform legislation developed by Republicans fails to address the single most urgent need for ending the current welfare system: putting people to work.

The Republicans have walked away from their early commitment to work as a key component of welfare reform. In the Contract With America, half of the welfare caseload would have been required to work by 2003. And the contract promised nearly $10 billion to pay for the new work requirement programs; the pending Republican bill has no money, and no work programs to speak of. In fact, as the New Republic points out, the great model program in Michigan by Republican leaders would authorize activities like checking a book out of a library as constituting work activity.

The Democratic leadership of the House, together with the Clinton administration, has endorsed a much tougher policy that would require recipients to accept work and training, and would require States to provide welfare recipients with a plan for moving from dependence to self-sufficiency.

Only in such a way will we end not only welfare, but poverty, too. By contrast, the Republican legislation promises only to throw people off welfare, whether or not any effort has been made to prepare them for self-sufficiency. The Republican scheme will mean millions of former welfare recipients without jobs, without homes and without any way to provide for their children. It will mean even more homelessness and huge additional costs for local communities and property taxpayers who will have to support this army of the impoverished through local general assistance programs.

In short, the Republican plan is not to end poverty, but to throw people off welfare. That will solve neither their problems, nor ours. We cannot allow the Republican plan to masquerade as welfare reform.

[From the New Republic, March 13, 1995]

WORKFARE WIMP-OUT

(By Mickey Kaus)

Call me naive, but I almost believed House Republicans when they pledged in their ''contract'' to reform welfare through ''a tough two-years-and-out provision with work requirements.'' Making welfare recipients work, after all, is wildly popular (if it weren't, it wouldn't be in the contract). Newt Gingrich's political action committee once even listed ''workforce'' as one of the ''Optimistic Positive Governing Words'' it recommended to fellow revolutionaries. I figured Gingrich himself had talked so much about the need for a ''mandatory requirement of work for everybody'' that he might

actually mean it, or at least would be too embarrassed to admit he didn't mean it. I underestimated him.

House Republicans unveiled their welfare reform plan on February 10. Most welfare-watchers expected the new bill to dilute somewhat the contract's work provisions. But few expected the abject abandonment of any credible attempt to require work. Yet that's more or less what Representative Clay Shaw, the lead Republican on welfare reform, announced. The new GOP bill, which has cleared Shaw's subcommittee, is not only weaker on the work issue than President Clinton's welfare proposal, it is in some respects weaker than the current welfare law Republicans deride.

It's certainly a long way from the Contract with America. The contract would have required work by those who had received welfare ''for at least twenty-four months.'' Work meant ''an average of not fewer than thirty-five hours per week.'' No funny business. By 2003, 50 percent of the welfare caseload (which currently consists of more than 5 million households) would be working.

The rationale behind these provisions was obvious: if potential welfare recipients (mainly young women) knew they were really going to have to work after two years, they might think twice before doing the things (mainly becoming single mothers) that put them on welfare in the first place. But Republican governors, it turns out, don't like work requirements much—in part because putting a welfare mother to work costs money (an extra $6,000, over and above the cost of benefits, to pay for supervisors and day care, according to the Congressional Budget Office).

Why raise state taxes to make welfare recipients perform community-service work—annoying public employee unions in the process—when you can do what Michigan's Republican Governor John Engler does: cycle recipients through inexpensive education and ''job search'' programs while claiming to be a great reformer? Engler's inflated reputation was recently punctured by journalist David Whitman (see ''Compleat Engler,'' TNR February 6). But that didn't stop him from leading the charge to gut the contract's work requirements when House Republicans decided, after the election, to negotiate with GOP governors over replacing the federal welfare program with a ''block grant'' to the states.

Engler's mission was successful. Look first at the numbers. The bill unveiled by Shaw requires that, in 1996, states place 2 percent of the welfare caseload ''in work activities.'' The requirement rises to 20 percent—not the contract's 50 percent—by 2003. In meeting this requirement, governors could count the 6 percent of recipients who already work at least part-time. Another 5 percent are already required to work by a 1988 reform law now in effect (which the Republican bill would repeal). That makes 11 percent already working. With a little creative bookkeeping—say, by counting all those who work, even for a few days, over the course of a year—most governors could meet the 20 percent ''work activity'' standard without doing anything they're not already doing.

But creative bookkeeping won't be necessary, because the Shaw bill lets the states decide what a ''work activity'' is. It needn't be actual work. Under the bill, a governor could declare, as Engler has, that checking a book out of a library counts as a ''work activity.'' Leafing through the want ads might also qualify, or circulating a résumé or attending a ''self-esteem'' class.

Republicans criticized President Clinton's ill-fated two-years-and-work plan because it only would have required approximately 500,000 recipients, or about 10 percent of the caseload, to be in a work program by 2003. But at least in Clinton's plan those 500,000 people would really have to be working. (An additional 900,000 or so would be in education and training programs.) The House Republicans say they will put ''at least 1 million cash welfare recipients in work programs by 2003,'' but the ''work'' could be completely phony. Workfake, you might call it.

It is all the more likely to be fake because the Shaw bill provides no money to make it real. The Contract with America, in a fit of honesty, earmarked $9.9 billion to pay for its work programs. The new bill contain no new funds. It does retain language that seems to requires states to make recipients work—sorry, ''engage in work activities''—after two years. But GOP aids admit this provision is ''mostly rhetoric'' not meant to be obeyed. There are no penalties for states that ignore it. (If it were obeyed, a lot more than 20 percent of the caseload would wind up ''working.'')

House Republicans don't even try very hard to pretend they haven't caved on the work issue. It was the price, they argue, of getting the governors to agree to a stingy ''block grant,'' and to accept the contract's cutoff of aid to young unwed mothers. Priorities! Bizarrely, the Newtoids sacrificed the popular parts of the contract (''make 'em work'') to save the unpopular parts (''cut 'em off''). It was too much even for some conservatives. Robert Rector, the Heritage Foundation's welfare expert, called the Shaw work provisions a ''major embarrassment,'' Jack Kemp issued a statement warning that Republicans were squandering welfare reform in the pursuit of a decentralized ''funding mechanism.''

Shaw now says he will try to shore up the work provisions—specifying what counts as a ''work activity,'' for example. But it may be difficult to convince the governors to endorse a major tightening—after all, the chief virtue of Shaw's bill, for them, was that it let them weasel out of the contract's work requirements.

It also may be too late. The premise of the GOP's new state-based welfare bill is that the nation's governors are reformist tigers who need only to be unlashed by the bureaucrats in Washington. But the governors have now shown their hand, and it's obvious to all that they have no appetite for radical reform especially reform based on work. Instead, they have with great effort turned the contract's ambitious plan into a bill that allows them to preserve the status quo. Even the controversial cutoff of young unwed mothers may be mainly an accounting trick. (States can simply pay the benefits out of their ''own'' funds.) The Republicans' welfare reform is looking less like a menace and more like a fraud.

SAVING LIVES—SETTING STANDARDS FOR DIALYSIS

HON. FORTNEY PETE STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 27, 1995

Mr. STARK. Mr. Speaker, there are approximately 200,000 Medicare beneficiaries in the Endstage Renal Disease [ESRD] Program, initially established by the Social Security Act § 1881. This debilitating disease costs approximately $10 billion per year translating to a cost of $51,000 per patient.[1] Dialysis treatment for the ESRD patient is in essence an artificial kidney, and while there have been multitudes of research papers and numerous conferences addressing the issue of standards for dialysis treatment, the development of these standards has been a slow process. There is presently a need for quality assessment and continuous quality improvement (QA & CQI) within dialysis facilities, reformation of reimbursement schedules, improved data collection, and the introduction of industry-wide treatment standards for the benefit of the patient as well as the providers.

In recent years, numerous studies have shown relatively unexplained and dramatic differences in survival rates between kidney dialysis facilities. While it is often explained that facilities with higher mortality rates also treat sicker patients, this only explains part of the story. Mortality rates between facilities range from 0 to 43 deaths per 100 dialysis years, which means that there are other causes of death attributable to the treatment centers that cannot be explained by how sick their patients are.[2] To be blunt, some facilities are allowing their patients to die prematurely and needlessly. I believe that there is now a relative consensus among kidney disease experts that if certain quality standards are met during the course of dialysis treatment, a patient has an improved chance of prolonged survival.

Mortality rates for dialysis patients remain consistently greater than 20 percent.[3,4] Similarly, renal failure has a significant impact on the life expectancies of its victims. According to a recent NIH Consensus Panel, at 49 years of age, the average life expectancy of a patient with ESRD is 7 years, compared with 30 years for an age-matched person without ESRD.[5]

The mortality rates for patients with ESRD are increased for men, whites, elderly, diabetics, and patients with impaired functional status and malnutrition.[2,3,6–8] Survival is further complicated by the changes within the ESRD patient population and the growing list of comorbidities that contribute to their worsened state of health. Although differences between patient subgroups can result in variable risk factors for death, it seems that dialysis treatment times consistently effect the mortality rates of renal failure patients.

Dialysis functions as an artificial kidney by removing waste products from the blood, and the standard for dialysis should be expressed in terms of the formula KT/V. This formula has been offered as the most effective measurement in determining the adequacy of hemodialysis treatment. Most authors agree that the KT/V must be at least 1.0 or greater to achieve an adequate dose of dialysis, and many have concluded that levels as high as 1.2–1.4 are necessary to reduce mortality.

Therefore, I am introducing a bill today to require the Secretary of HHS to deny payment to a facility after January 1, 1997, if a majority of its patients do not receive a dialysis treatment which sufficiently cleans the blood. Hemodialysis must be supplied to achieve a delivered KT/V of 1.2. This bill will also establish contingencies whereby dialysis facilities could calculate treatment effectiveness using the urea reduction ratio [URR] instead of the KT/V. In simple terms, the URR measures the percentage of waste products cleansed from the blood over the course of a single dialysis treatment. The standards would be set to achieve a delivered URR of ≥ 65 percent. Although the URR does not have the accuracy

Footnotes at end of article.

of the KT/V, it requires only simple mathematics without the need for computer software and can provide a useful verification of treatment effectiveness. It is understood that there are other factors affecting the outcome of patients on dialysis; however, dialysis has become quantifiable and, therefore, should be utilized to effectively realize treatment goals.

Putting this in layman's terms, it is possible to measure the amount of dialysis a patient will receive by knowing the duration of treatment, the amount of waste products in the blood, and the quantity of blood that the dialysis filter will clear of those waste products during treatment. In essence, the longer a patient remains on a dialysis machine, the more likely they are to achieve the 1.2 figure.

It is appalling to think that some facilities would cut the amount of time on the dialysis machine in order to save money. Quality dialysis facilities have shown us that they can make money and still provide adequate time on the machine. Furthermore, statistical studies have demonstrated that increased time translates into less death. I believe there is enough medical consensus on this point that it would be improper for Medicare to continue to pay for facilities that do not provide adequate levels of dialysis as measured by the KT/V value. That is what my bill seeks to do: Force those facilities which are not providing sufficient dialysis to improve their level of care in accordance with a set of industry-wide standards, and ultimately stop the premature death of their patients.

Many studies have shown the correlation between increased treatment time and decreased mortality rates. [7,9–14] However, it has been argued that the combination of falling real-dollar reimbursement rates and increases in the required bundle of services have caused not only a decline in the amount of dialysis being delivered but also a reduction in the ability of dialysis centers to provide adjunct resources such as dietary counseling, social work management, mental health information, and vocational rehabilitation. As Congress considers this legislation, it also needs to examine and address this whole range of issues impacting on the lives of dialysis patients.

Medical science is continually evolving, of course, and future information may provide us with a better measure of dialysis or show us that 1.2 is not the right number to strive for. Therefore, my bill authorizes the Secretary to adjust the KT/V value or substitute a different formula if a report is sent to Congress explaining the wisdom of such a change. My bill also addresses the issue of monitoring dialysis facilities in order to assess their compliance with the above standards.

Once the progression to chronic renal failure has occurred, the main goals of the medical community should be to maintain and improve, if possible, the quality of life of the end-stage renal disease patient. Treatment plans should focus on prescription and delivery of adequate dialysis, attention to the social and psychological factors that influence survival and functional outcome of hemodialysis patients, provision of dietary counseling and management, assessment and reduction of malnutrition, control of hypertension, strict management of diabetes, maintaining vascular access, and provision of vocational rehabilitation.

In closing, Mr. Speaker, I urge the renal community to evaluate the need for reform within the dialysis industry to reduce the untimely deaths of so many patients with kidney failure.

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INTRODUCTION OF DERIVATIVES DEALERS ACT OF 1995

HON. EDWARD J. MARKEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, February 27, 1995

Mr. MARKEY. Mr. Speaker, today I am introducing the Derivatives Dealers Act of 1995. This legislation is aimed at providing a framework for improved supervision and regulation of previously unregulated dealers and assuring appropriate protections for their customers.

Today's newspapers report on the disastrous consequences of derivatives losses by Barings PLC—one of Great Britain's oldest merchant banks. According to these reports, Baring's has lost at least $950 million due to unauthorized derivatives trading by a 27-year-old trader in its Singapore office. This sorry episode underscores the risks inherent in failing to assure that regulators have adequate tools on hand to minimize the potential for OTC derivatives to contribute to a major disruption in the financial markets, either through excessive speculation and overleveraging, or due to inadequate internal controls and risk management on the part of major derivatives dealers or end users. Despite the best efforts of the Bank of England to rescue Barings, apparently the scale of the losses is so great that as collapse could not be averted. As a consequence, both European and Asian financial markets are in turmoil today. The bill I am introducing today will help assure that no similar disaster befalls American derivatives dealers or our financial markets.

Derivatives are financial products whose value is dependent on—or derived from—the value of some underlying financial asset such as a stock, bond, foreign currency, commodity, or an index representing the value of such assets. Some derivatives have been around for many years, such as the exchange-traded futures and options used by investors and dealers seeking to hedge positions taken in the stock and bond markets, or to speculate on future market movements.

Within the last few years, however, such exchange-traded futures and options have been supplemented by a vast and dizzying array of over-the-counter [OTC] derivatives. These include forwards, swaps, options, swaptions, caps, floors, and collars that may be linked to the performance of the Japanese stock market, the dollar-deutschemark exchange rate, the S&P 500, or virtually any other asset. Today, the total outstanding value of the principal underlying such over-the-counter derivatives is estimated to be over $12 trillion.

The dynamic growth of the OTC derivatives market is the direct result of developments in computer and telecommunications technology and breakthroughs in modern portfolio management theory that have created a new world of cyber-finance that is reshaping U.S. and global financial markets. These new financial instruments are an important component of modern financial activity and provide useful risk management tools for corporations, financial institutions, and governments around the world seeking to respond to fluctuations in interest rates, foreign currency exchange rates, commodity prices, and movements in stock or other financial markets.

While OTC derivatives are frequently used to hedge foreign currency or interest rate risks or to lower borrowing costs, there has been a proliferation of increasingly exotic, customized financial contracts or instruments that enable dealers and end users to make speculative synthetic side bets on global financial markets. This development has raised concerns over the potential for OTC derivatives to increase, rather than reduce risk of financial loss or contribute to a future financial panic. In addition, the concentration of market-making functions in a small number of large banks and securities firms, the close financial interlinkages OTC derivatives have created between each of these firms, and the sheer complexity of the products being traded raise serious concerns about the potential for derivatives to contribute to serious disruptions in the fabric of our financial system. My bill will help assure that Federal regulators have the ability to effectively monitor the activities of certain heretofore unregulated derivatives dealers.

In addition, my bill will help assure that our financial regulatory structure includes appropriate customer protections in place in the form of full disclosure, accurate financial accounting, appropriate sales practices, and restrictions against fraudulent or manipulative activity.

While the Barings PLC disaster underscores the some of the risks and dangers associated with derivatives, the Subcommittee on Telecommunications and Finance, which I chaired in the last Congress, has been closely monitoring the financial derivatives market for the

last 3 years. In June 1992, I wrote to the General Accounting Office [GAO] to request a comprehensive study of the derivatives market. At that time, the subcommittee noted that the trading of new and complex derivative products by financial institutions and their customers had greatly increased in recent years, creating a corresponding need to assure that knowledge of how to manage and oversee the risks associated with these products was keeping pace.

The GAO derivatives study submitted on May 19, 1994, in response to the subcommittee's request, has identified some serious gaps in the current legal and regulatory structure relating to OTC derivatives.

The GAO made a number of important recommendations for reforms in the regulation of financial derivatives disclosure, financial accounting, and dealer regulation. Of particular concern to me was GAO's finding that serious gaps existed in the current legal and regulatory framework that allows derivatives dealers affiliated with securities firms or insurance companies to largely escape the type of regulations which are already in place for derivatives dealers affiliated with banks. GAO also identified potential gaps in antifraud and antimanipulation enforcement authority, and sales practice regulation. In response, the GAO recommended that this ''black hole'' be plugged by granting a Federal regulator, such as the Securities and Exchange Commission, appropriate authority to conduct examinations and set capital standards for these currently unregulated dealers.

The subcommittee closely examined the derivatives markets and the findings and recommendations of the GAO study in oversight hearings held on May 10, 19, 25, and July 7th of last year. Based on the information gathered in the course of these hearings and other inquiries, I have crafted a piece of legislation which would close the most glaring legal gap affecting the derivatives markets—the presence of virtually unregulated OTC derivatives dealers in the market.

This bill will close the regulatory ''black hole'' that has allowed derivatives dealers affiliated with securities or insurance firms to escape virtually any regulatory scrutiny. It will give the SEC the tools needed to monitor the activities of these firms, assess their impact on the financial markets, and assure appropriate protections are provided to their customers against any fraudulent or abusive activities. It is not a radical restructuring of the derivatives market; it is focused laser-like on the real gaps that exist in the current regulatory framework that need to be closed, and closed now before we have our own Barings PLC disaster right here in America.

I urge my colleagues to cosponsor and support this important legislation.

TO EXTEND A NUTRITION ASSISTANCE PROGRAM TO AMERICAN SAMOA

HON. ENI F.H. FALEOMAVAEGA

OF AMERICAN SAMOA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 27, 1995

Mr. FALEOMAVAEGA. Mr. Speaker, I rise today to introduce a bill to provide permanent funding for a nutrition program in American Samoa.

The American Samoa Nutrition Assistance Program currently in existence is funded on an annual basis out of discretionary funds from the Department of Agriculture. The national Food Stamp Program is not available in American Samoa, and the program in Samoa serves as a modified Food Stamp Program in that only the blind, severely disabled, and poor elderly are eligible for benefits. Benefits are also limited in that they vary between $50 and $125 per month, depending on the income of and the assets owned by the recipient.

Unfortunately, the method of annual appropriations used for American Samoa's Nutrition Assistance Program is unsatisfactory in that the level of funding, or perhaps more appropriately the existence of any funding, is subject to annual appropriations. I can see no reason why funding for the Food Stamp programs for the 50 States, the District of Columbia, and for all but one of the U.S. Territories should come from one source, and the funding for American Samoa's program should come from a different source.

Mr. Speaker, I believe American Samoa's nutrition assistance program is a model to be followed by other U.S. jurisdictions in that no benefits are available for the able-bodied. As I stated earlier, the only recipients are the poor blind, severely disabled, and the elderly. The cost of the program for fiscal year 1995 is $5.5 million, a cost which could easily be absorbed within the multi-billion dollar contingency fund of the national program, and I urge my colleagues to join me in addressing this variance in national policy and support this bill.

Mr. Speaker, I submit the bill to be printed in the RECORD, as follows:

H.R. —

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

SECTION 1. EXTENSION OF NUTRITION ASSISTANCE PROGRAM TO AMERICAN SAMOA.

The first sentence of section 601(c) of Public Law 96–597 (48 U.S.C. 1469d(c)) is amended by inserting before the period at the end the following: '', and the Secretary of Agriculture shall extend a nutrition assistance program conducted under the Food Stamp Act of 1977 (7 U.S.C. 2011 et seq.) to American Samoa''.

TERESA McGOVERN

HON. JOHN JOSEPH MOAKLEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, February 27, 1995

Mr. MOAKLEY. Mr. Speaker, last December, Senator George McGovern's daughter, Teresa, died in Madison, Wisconsin—losing her long battle with alcoholism. Terry was a remarkable young woman who cared deeply about others and cared passionately for this country. I recall meeting her in Boston back in 1972 when her father ran for the presidency. She was intelligent, articulate and totally dedicated to making our Government reflect the very best in our Nation.

Since her death, the McGovern family has courageously talked publicly about the ravages of Terry's alcoholism and their attempt to deal with it. In an excellent article which recently appeared in Parade magazine, George McGovern eloquently and painfully describes the impact that this disease had on his daughter and his family.

The article follows:

WHAT I LEARNED FROM MY DAUGHTER

(By George McGovern)

On the 10th day of June, 1949, my wife, Eleanor, gave birth to a 6-pound, 14-ounce baby girl, whom we named Teresa. ''She's a beautiful little porcelain doll,'' said an admiring artist friend. We agreed that we had brought forth a creature of remarkable beauty and charm. That was the way I saw her for the next 45 years, through laughs and joys, anxieties and tears.

From the beginning, Teresa blossomed into an engaging, fun-loving, quick-witted child—a special joy in our family. She later developed a notable sense of compassion, insight and sensitivity toward others, communicating easily with people about their concerns and aspirations, disappointments and victories.

The day of Teresa's birth was hot and dry in Mitchell, S.D., the temperature around 90 degrees. Forty-five years later, on Dec. 12, 1994, the ground was covered with snow in Madison, Wis., and the temperature was far below freezing. That night, Teresa died in the snow in a lot, out of sight of passersby. ''Hypothermia due to exposure while in a state of acute alcohol intoxication,'' read the Dane County coroner's report.

We had dreaded such a report for years. Terry's troubles seem to have started as early as high school, when she had the first indications of depression and then experimented with alcohol with teenage friends. She seemed to have been born with a vulnerability to both depression and alcoholism. To whatever extent genes influence these matters, there is a pattern of alcoholism in some of my Irish ancestry, just as there is a pattern of depression in some of Eleanor's English and Norwegian ancestry.

Terry's dependence on alcohol seemed both to enhance and to result from the depression. It was a vicious circle. When she achieved periods of sobriety she sometimes was afflicted with a depression that seemed to trigger a relapse into alcohol consumption. When doctors finally found a medication that was somewhat successful in combating her depression, the medication often would be neutralized by drinking bouts that she seemed powerless to control.

A glass or two of wine or a cocktail can be a pleasant and relaxing experience for most people. But to the 15 million or more Americans like Terry who are alcoholics, there is no such thing as a casual glass of wine. In Terry's case, she drank until she collapsed or blacked out. During her last five years, she was admitted to Madison's Tellurian detoxification center 76 times. Sometimes she checked in voluntarily. More frequently she was taken there after she had collapsed in a bar or on the street or in her home.

Terry couldn't seem to stop drinking, but she fought the addiction with tenacity for most of her life. With pressure from Eleanor and me, as well as her sisters and brother, she agreed to treatment in some of the best centers in the nation. These painstaking, sometimes expensive programs, combined with attendance at AA meetings, brought her sobriety for periods of time—days, weeks or months, and once for seven years, as she gave birth to and lovingly nurtured her daughters, Marian and Colleen, who remained the central passions of her life—except for alcohol, her hated master.

She devoured pamphlets and books on alcoholism. She searched the Bible and other spiritual sources for guidance and insight.

She pursued ''users'' in recovery who would share their secrets with her. She talked to her patient, unfailing mother about her struggle.

My office staff knew Terry had a problem that frequently took precedence over all else in my life. Especially in the years since I left the U.S. Senate in 1981, Terry has never been far from my consciousness and concern. In the 1960s and early '70s, the Vietnam War and the excesses of the Cold War became such obsessions with me that I ran for the Presidency in 1972 to offer a different course. But Terry became my obsession in the 1980s and '90s. Only another parent with an alcoholic or otherwise chemically addicted child can begin to comprehend the endless concern and anxiety, anger and resentment, excited hopes and disappointments, exhausting and sometimes frightening experiences that go with loving and caring for an alcoholic offspring.

Two years ago, while having lunch with Michael Deaver, a long-time aide to former President Reagan, I mentioned my deep concern over Terry's drinking problem. He arranged for her to go through one of the finest treatment programs in the nation—Father Martin's Ashley rehabilitation center in Havre de Grace, Md. After six weeks of a seemingly successful recovery, Terry was urged to live for the next six months in the protective environment of a halfway house. Terry, however, was desperate to return to Madison to be near her daughters, so she rejected this advice. Eleanor agreed to go with her to Madison and stay until Terry could get settled. With her usual patience and love, Eleanor remained with Terry for two weeks. On the day of her departure, Terry started drinking again. Eleanor returned home—her heart broken one more time.

A few months later, we persuaded Terry to enter a program at the National Institutes of Health in Bethesda, Md. She cooperated with all aspects of the agenda, and so did Eleanor and I, which involved counseling and group-discussion sessions with family members of other patients. We were highly encouraged by Terry's seeming success.

On the morning of the completion of the program, I happily brought Terry home. She asked if she could use the car for a few minutes to pick up a prescription at a drugstore nearby. Three hours later, I was called by a friendly bartender who told me that Terry had collapsed from drinking. It pains me even now to recall the sad and bitter disappointment, the personal regret and doubt about my own judgment that followed.

One of the things I learned from experiences like this was to separate my feelings toward the alcoholic whom I loved from the alcoholism which I hated. Some of her friends would tell me that there were two Terry's—the sober one whom they cared about and the intoxicated one whom they could not stand. I understand this well-meaning sentiment, which I sometimes held. But it is wrong. There was never more than one Terry—a Terry who usually brought joy to her friends but at other times transferred to others her own suffering. If a member of the family were suffering from cancer or AIDS, we would not say that we love them when they are healthy but despise them when they are ill. So it should be with alcoholism, a frequently fatal disease. The same disease that hurts the alcoholic's family and friends hurts and demoralizes the alcoholic vastly more.

I developed an exchange with Terry that seemed to work for both of us. ''Who is ahead today—you or the demon?'' I would ask. She loved that way of posing the problem. It's okay to love your family member or friend and despise the demon that attacks him or her.

What parents discover is that they are powerless to overcome the addiction that's destroying their precious creation. A friend of Terry's, from one of America's most celebrated families, says she saved his life by persuading him to go forward with alcohol treatment. He sent us a eloquent letter in which he wrote: ''Senator, not all the Senators of all the Congresses could legislate a person sober. And Mrs. McGovern, no amount of love expressed by good mothers like you can birth sobriety.''

You can assist, advise, agonize, pay and pray, but you cannot deliver sobriety. And in many cases, neither can the victim, no matter how hard she or he tries.

However, another thing I learned is that you must never abandon hope. Never give up on the alcoholic, and don't let him or her give up. If you have a spiritual faith or wish to develop one, use the power of prayer. Share that hope and faith with the victim. Terry died at age 45. She probably would have died at 18 or 30 or 40 had it not been for her faith and the faith of others.

I believe that alcoholism and other chemical dependencies constitute America's No. 1 social problem. Every year, victory eludes 100,000 Americans like Teresa, who die of alcoholism. Countless others suffer from the loss of employment, the neglect of their families the breakup of marriages, a sense of shame and defeat—all of this, plus constant danger and distress.

We must support the good treatment centers and urge public officials to support adequate funding for alcoholism research and rehabilitation. Unfortunately, funds recently have been cut back. The price of this ''economy'' includes more suffering and death from alcohol and other drugs, more loss of productivity, and more disorder and crime. For every dollar saved in cuts, we will spend several times that much in future costs—some of which are immeasurable.

IF SOMEONE YOU LOVE IS AN ALCOHOLIC:

More than 15 million Americans drink too much, according to some experts. Alcoholism has no known cure, but the National Council on Alcoholism and Drug Dependence (NCADD) says the disease can be stopped. In fact, there are more than 1.5 million Americans in recovery. Here are some of the council's recommendations when dealing with an alcoholic:

1. Recognize that alcoholism is a disease and not a moral failure or lack of willpower.

2. Learn as much as you can about the disease. Many libraries have sections on alcoholism, addiction and related subjects.

3. Don't become an ''enabler.'' An enabler is a person close to the alcoholic who supports or ''enables'' the drinking by pretending that there isn't a problem (denial), or by protecting or lying for the alcoholic.

4. Avoid ''home treatments.'' Don't try to solve a loved one's drinking problem by preaching, complaining, acting like a martyr or reasoning with the drinker. An alcoholic needs help from experts, such as Alcoholics Anonymous.

5. Get help for yourself. One of the hallmarks of the illness is that it affects everyone close to the alcoholic. Many treatment programs provide help for those affected by another person's drinking.

REGULATORY TRANSITION ACT OF 1995

SPEECH OF

HON. RONALD D. COLEMAN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 23, 1995

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 450), to ensure economy and efficiency of Federal Government operations by establishing a moratorium on regulatory rulemaking actions, and for other purposes:

Mr. COLEMAN. Mr. Speaker, I rise today to express my opposition to the bill H.R. 450. While I support the intentions of the bill, I feel that a regulatory freeze is not only a clumsy but also a dangerous way to achieve the important goal of regulatory reform.

The most frustrating aspect of this legislative session is that day after day, we must face the growing reality of the increasing irrelevance of the House of Representatives. While this body has become the center of American jingoism and bumper sticker solutions, it is quickly moving off the radar screen of policy relevance. A brief glance at the bill H.R. 450 tells us why this is happening.

The stated goal of H.R. 450 is a good one to ensure the economy and efficiency of the Federal Government. This has been one of the most vehemently pursued goals of the Clinton Administration. With a firm commitment to reinventing government, the Administration has doggedly pursued the goal of regulatory reform. They have put an end to the explosion of senseless regulations that occurred under the Republican administrations of Ronald Reagan and George Bush. In short, the stated goal of this bill is already being pursued systematically, intelligently, and relentlessly under President Clinton. The simple fact is that the goals of H.R. 450 are being achieved already. The only reason that the majority party feels compelled to take up the regulatory struggle is because they know it is a good chance to take the wind out of the sails of the Clinton administration. It is a bill entirely motivated by politics.

But the problems of this bill don't end with its redundancy. H.R. 450 is also bad policy. In order to achieve the stated goal of government economy and efficiency, the bill proposes a moratorium on regulations that is retroactive through November of last year. Freezing regulations is not an intelligent way to streamline government. This is an excellent example of the extremism of the Republican party in this House.

Freezing all Federal regulations will potentially expose the people of America to countless dangers. The EPA has indicated that standards to reduce the presence of lead and dioxins in the air will be put on hold, as will efforts to remove dangerous disinfectant byproducts and microbiological contaminants in water. Further, the development of safe alternatives to ozone depleting chemicals will be put on hold. The Department of Labor will not be able to finish outlining the regulations that will guide the implementation of the Family Medical Leave Act. The Department of Agriculture will not be able to prevent the importation of animals and animal products infected with bovine spongiform encephalopathy, or

work to prevent the spread of lethal avian influenza in chickens. The Department of Transportation notes that H.R. 450 would stop regulations designed to make commuter planes meet the safety requirements of larger carriers, and to prevent natural gas pipeline explosions. These are just a few examples of the manner in which the moratorium could pose a direct threat to the health, safety and economic well-being of the American people.

Republicans are correct when they assert that Americans and American businesses are fed up with senseless regulations. But they are horribly off the mark when they propose that freezing all regulations is the solution to this problem. The exemptions that they have offered for regulations protecting health, safety, and property are vague at best, and give the latter inexplicable ascendancy over the first two. There is no guarantee that important regulations will be allowed enactment under H.R. 450. I cannot support such carelessly crafted legislation, and I am surprised at those who can.

The practice of performing delicate policy operations with a meat axe has characterized the actions of the House from the beginning of the session, and it is eroding the credibility of this body. Even as we rush to pass bills that are poorly crafted, the Senate is carefully weighing the implications of each piece of legislation. This is not a question of partisan politics. The Republicans have a majority in the Senate as well. And yet there, they recognize the great importance of designing legislation that not only sounds good, but that works as well. We should do the same. H.R. 450 is another example of an important issue that has been drastically oversimplified. Freezing reforms is not the answer to the regulatory explosion, and it is a proposal that places American lives at risk. Therefore, I will not support this legislation.

I do not believe that the 435 Members of this body ought to be consigned to irrelevance in the policy sphere. But unless the Republican Party stops focusing on the laminated card in the Speaker's breast pocket, and starts concentrating on the difficult, deliberative, and complex task of framing policy and instituting reform, we are doomed to 50 more days of meaningless endeavors. I fear that the words of Macbeth will be a fitting epitaph for the Republican Contract, which thus far has frequently proven to be a document ''full of sound and fury, signifying nothing.''

TRIBUTE TO JUSTIN AARON HARRIS

HON. MARCY KAPTUR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, February 27, 1995

Ms. KAPTUR. Mr. Speaker, I rise today to pay respectful tribute to a young man from my district who has made the ultimate sacrifice, giving his life in service to our country in a foreign land. Justin Aaron Harris, a Marine Sergeant, was tragically killed last week when his helicopter went down at sea after hitting a ship off the coast of Mogadishu. He died on February 19, 1995, leaving a wife, Chantay, and a young son, Justin, Jr., his parents, Peggy and Joe, a sister, Julie Morrison, brothers, Joe, Jeffrey, Jerry, and Javan Harris and scores of relatives and friends who mourn the loss of a promise-filled life cut short. We offer them our hearts in empathy as they face this deep tragedy. We hope that his vision for America and his devotion and belief in service to our nation and oppressed people around the world will make this cross a little easier to bear. We pray the memories his family and friends shared in his too-brief life will sustain them all. Justin knows as we all know, the price of freedom is not free. He laid down his life in service to us.

A poem was read at his memorial service, held in his hometown of Toledo, Ohio on February 25, 1995. The author apparently unknown, it symbolizes Justin's and his family's faith and offers a meaning to his passing, helping all to understand and to gain strength:

I'M FREE

Don't grieve for me, for now I'm free
I'm following the path God laid for me.
I took his hand when I heard Him call
I turned my back, and left it all.
I could not stay another day
To laugh, or love, or work, or play
Tasks left undone must stay that way
I found that place at the close of the day.
If my parting has left a void,
Then fill it with remembered joy.
A friendship shared, a laugh, a kiss
Oh yes, these things I too will miss.
Be not burdened with times of sorrow
I wish you sunshine of tomorrow.
My life's been full, I savored much
Good friends, good times, a loved one's touch.
Perhaps my time seemed all too brief.
Don't lengthen it now with undue grief.
Lift up your heart and share with me . . .
God wanted me now
He set me Free!

Justin Aaron Harris, age 23; always remembered, always honored, always loved.

SUSTAINABLE CONSUMPTIVE USE OF MARINE RESOURCES

HON. DON YOUNG

OF ALASKA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 27, 1995

Mr. YOUNG of Alaska. Mr. Speaker, this Nation has had an enviable and successful record, both domestically and internationally, of fostering sound conservation and scientific management of wildlife and marine resources. Through statutes, regulation and international treaties, the United States has traditionally taken a leadership role in demanding science-based information and data upon which to shape policy and programs for the conservation of plants, animals, and fish. An integral part of wildlife and resource management is the concept of consumptive use of such renewable resources under proper and professional management.

In the February issue of the American Spectator there is a most thought provoking article by David Andrew Price regarding the issue of whaling by coastal and island nations. With the exception of a small science-based harvest of whales by natives in Alaska, the United States is no longer a consumer or producer of whale products. For other nations, however, whale products have been a traditional source of food for thousands of years. The serious question is whether or not such traditional harvests should be blocked when limited taking in no manner would have an adverse impact on populations stocks. Further, ignoring science in the management of one species of wildlife based upon a response to a protectionist philosophy sets a dangerous precedent. Wildlife and marine resources cannot afford to be managed on the basis of some subjective ethic that ignores science and appropriate management.

I commend Mr. Price's article to my colleagues on a most important issue of sustainable use of renewable marine resources and the role of the United States in that policy.

[From the American Spectator, February 1995]

SAVE THE WHALERS

(By David Andrew Price)

One morning last January, Arvid Enghaugen, a resident of the Norwegian coastal town of Gressvik, found his whaling boat sitting unusually deep in the water. When he climbed aboard to investigate, he found that the ship was in fact sinking; someone had opened its sea cock and padlocked the engine-room door. After breaking the lock, Enghaugen discovered that the engine was underwater. He also found a calling card from the Sea Shepherd Conservation Society, a small, California-based environmentalist group that specializes in direct actions against whalers. Counting Enghaugen's boat, Sea Shepherd has sunk or damaged eleven Norwegian, Icelandic, Spanish, and Portuguese vessels since 1979.

The boat was repaired in time for the 1994 whaling season, but Enghaugen's problems weren't over. On July 1, while he was looking for whales off the Danish coast, live Greenpeace protesters boarded the ship from an inflatable dinghy and tried to take its harpoon cannon. Enghaugen's crew tossed one protester into the sea, and the rest then jumped overboard; the protesters were picked up by the dinghy and returned to the Greenpeace mother ship.

A week later, after Enghaugen's boat shot a harpoon into a whale, a team from another Greenpeace vessel cut the harpoon line to free the wounded animal. A group again tried to board the whaler, and the crew again threw them off. Enghaugen cut a hole in one of the Greenpeace dinghies with a whale flensing knife. For the next two weeks, Enghaugen and crew were dogged by Greenpeace ships and helicopters.

Although the activities failed to stop Enghaugen's hunt, their public relations war in America has been a different story. Over the past twenty years, the save-the-whales movement has been so successful in shaping public sentiment about the whaling industry that the U.S. and other nations have adopted a worldwide moratorium on whaling. Part of the credit must go to the animals themselves, which are more charismatic on television than Kurds, Bosnians, or Rwandans, who have engendered far less international protection. The movement owes most of its success, however, to the gullibility of Hollywood and the press in passing along bogus claims from whaling's opponents.

The mainstay of the case against whaling—that it threatens an endangered species—is characteristic of the misinformation. It is true that European nations and the United States killed enormous numbers of whales during commercial whaling's heyday in the nineteenth century, but to say that ''whales'' are endangered is no more meaningful than to say that ''birds'' are endangered; there are more than seventy species of whales, and their numbers vary dramatically. Some are endangered, some are not. The blue whale, the gray whale, and the

humpback were indeed depleted, but those species were later protected by international agreement long before the existence of Greenpeace or Sea Shepherd. (There have been abuses. Alexei V. Yablokov, special adviser to the president of Russia for ecology and health, has revealed that the whaling fleet of the former Soviet Union illegally killed more than 700 protected right whales during the 1960's but the International Whaling Commission's institution of an observer program in 1972 essentially put an end to the Soviet fleet's illegal activities.)

The only whale species that Enghaugen and his fellow Norwegian whalers hunt is the minke, which Norwegians eat as whale steaks, whale meatballs, and whaleburgers. As it turns out, minke whales are no more in danger of extinction than Angus cattle. In 1994, thirty-two Norwegian boats killed a total of 279 minkes, out of an estimated local population of about 87,000 and a world population of around 900,000.

In 1982 the IWC voted to suspend commercial whaling for a five-year period starting in 1986. The ostensible purpose was to permit the collection of better data on whales before hunting resumed. Norway lodged a reservation exempting itself from the moratorium, as the IWC treaty permitted, but it complied voluntarily.

Whaling nations soon learned, though, that the majority of nations in the IWC—including the United States—intended to maintain the ban indefinitely, no matter what the numbers showed. Canada left the IWC in 1982, and Iceland left in 1992. Norway terminated its voluntary compliance in 1993. To protest the commission's disregard of the facts about whale stocks, the British chairman of the IWC's scientific committee resigned that year pointing out in his angry letter of resignation that the commission's actions ''were nothing to do with science.'' The IWC continued the moratorium anyway at it next meeting.

A 1993 report by the Congressional Research Service observed that the data on whales undercut the conservationist argument, and that ''if the United States argues for continuing the moratorium on commercial whaling, it may have to rely increasingly on moral and ethical appeals.'' The ban on whaling is no longer about conservation, in other words, but about the desire of many Americans and Western Europeans to impose their feelings about whales upon the whaling nations (which include Iceland, Russia, Japan, and the Inuits of Canada and Alaska).

Popular notions of whales' human-like intelligence, often cited by opponents of whaling, have little real support. Whales possess large brains, but that proves nothing about their mental agility. Margaret Klinowska, a Cambridge University expert on cetacean intelligence, holds that the structure of the whale brain has more in common with that of comparatively primitive mammals such as hedgehogs and bats than with the brains of primates.

Whales can be trained to perform stunts and other tasks, but so can pigeons and many other animals that have never been credited with the cerebral powers of homo sapiens. And the idea that whales have something like a human language is, at present, pure folklore. Like virtually all animals, whales make vocalizations, but there is no evidence that they are uttering Whalish words and sentences. Their famed ''singing'' is done only by the males, and then during but half the year—a pattern more suggestive of bird-song than human speech.

Much of the popular mythology about cetacean intelligence comes from crank scientist John Lilly, a physician who became convinced in the 1950s that whales and dolphins are not only smarter and more communicative than humans, but also have their own civilizations, complete with philosophy, history, and science that are passed down orally through the generations. His conclusions about the animals' mental skills were based partly on his observations of captive dolphins at his lab in the Virgin Islands, but mainly on wild flights of conjecture. Lilly also predicted in the late seventies that the State Department would eventually negotiate treaties with the cetaceans, and that humanity's progress in its dealings with them would lead the Galactic Coincidence Control Center to send agents to planet Earth to open the way for extraterrestrial contacts with us. The anthropomorphization of the whale reached new heights with a 1993 open letter to the Norwegian people from Sea Shepherd president Paul Watson, who predicted, ''The whales will talk about you in the same vein as Jews now talk of Nazis. For in the eyes of whalekind, there is little difference between the behavior of the monsters of the Reich and the monsters behind the harpoon.''

Cetacean behavior researchers have rejected Lilly's claims. Dolphin investigator Kenneth Norris of the University of California Santa Cruz, who was among the first to study dolphins in the wild and is responsible for much of our knowledge about dolphin sonar, writes that they have ''a complicated animal communication system, yes, but for an abstract syntactic language like ours, no compelling evidence seemed, or seems, to exist.'' The late David and Melba Caldwell, who studied dolphin behavior at the University of Florida, maintained flatly that ''dolphins do not talk.'' In their view, ''dolphins probably are just exceptionally amiable mammals with an intelligence now considered by most workers, on a subjective basis, to be comparable to that of a better-than-average dog.''

Louis Herman, director of the University of Hawaii's marine mammal laboratory and an opponent of whaling, has been studying the behavior of captive dolphins since 1967. Herman says he has seen no evidence that the natural vocalizations of dolphins constitute a language. And for whales? ''There's no reason to think the situation would be different with other cetacean species,'' he answers.

What American policy on whaling enforces is simply a cultural preference—one comparable to our distaste for horsemeat, which is favored in France. The whale-savers have succeeded in shaping policy by selling the idea that whales are different; that they are endangered underwater Einsteins. That's why Icelandic filmmaker Magnus Gudmundsson, who has produced a documentary showing Greenpeace's machinations on the issue, is correct in calling the movement ''a massive industry of deception.''

INTRODUCTION OF THE OMNIBUS ADOPTION ACT OF 1995 AND THE HEALTH CARE AND HOUSING FOR WOMEN AND CHILDREN ACT

HON. CHRISTOPHER H. SMITH

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, February 27, 1995

Mr. SMITH of New Jersey. Today, I reintroduced two important bills which will have a direct and substantial impact on women, children, and families nationwide. These bills—the Omnibus Adoption Act of 1995 and the Health Care and Housing for Women and Children Act—both promote the joining of needy children and caring families through the loving option of adoption.

There is no doubt that there are children patiently and hopefully awaiting adoption. Over the past decade, between 50,000–60,000 children found adoptive homes each year. This figure is down from 89,000 in 1970; but that is not indicative of fewer needy children. In fact, over this same time period, the number of children in foster care increased to more than 407,000 and the number of children born out-of-wedlock increased three-fold to 1,165,000.

The National Council for Adoption [NCFA] estimates that between one and two million individuals and couples want to adopt. But there are obstacles in their way. Some of these obstacles are financial; some are merely education; some are cultural. The Omnibus Adoption Act of 1995 takes aim at these hurdles with the intention of leveling them.

Furthermore, evidence suggests that the benefits of adoption to birthmothers are overwhelmingly positive. In fact, some research indicates that those women who do choose to make an adoption plan for their children will be less likely to live in poverty, more likely to complete high school, and less likely to have additional unplanned pregnancies. We must provide Federal support to these pregnant women and all pregnant women who lack the means to pay for prenatal and maternal health care.

The centerpiece of the Omnibus Adoption Act is the means tested $5000 tax credit. According to the NCFA, the average cost of an adoption is $14,000 and it is not uncommon for this figure to reach upwards of $25,000. Often this includes prenatal care for the birthmother and child, counseling for the adoptive family, and legal fees. For a middle-income family already on a tight budget, this one-time up-front cost can be prohibitive.

The targeted tax credit would be available in full to families earning less than $60,000 and in part to families earning between $60,000 and $100,000. In this way, it is able to give as much help as possible to the families which need it the most. And while this tax credit has a limitless reward, it has a very modest cost. The Republican staff of the Budget Committee estimated last year that the adoption tax credit would cost $900 million over 5 years.

You may recognize this provision from the Republican Contract with America as well. I am pleased that this aspect of my bill has been included in the Contract's Family Reinforcement Act [H.R. 11].

Other provisions of the Omnibus Adoption Act are equally valuable and popular. For instance, the bill establishes a national advisory council on adoption to monitor the progress of the various adoption related programs which exist and which the bill institutes. The bill also establishes a national adoption data collection system. These two provisions will work hand-in-hand to further advance adoption options. As does a section stating the sense of Congress that every State implement and enforce uniform adoption laws ranging from detailed home studies for prospective adoptive families to health benefits for birthmothers and adopted children.

The Omnibus Adoption Act establishes a program of graduate study fellowships to encourage our best young minds to research and develop innovation in adoption programs. Additionally, the bill organizes a grant program within the Department of Education offering

grant funding to States which implement adoption education programs. The Boston Globe, in a editorial highly supportive of this bill in general and the tax credit provision in particular, noted that this was an idea that deserves close study.

Another provision in the Omnibus Adoption Act which the Globe thought worthy of closer study clarifies Federal and military employee adoption benefits. This would allow these families to use sick leave for adoption purposes. They would also be eligible for reimbursement through Federal health benefit plans for the prenatal and maternity care of the birthmother in their adoption plan. The bill specifically prohibits surrogate parenting arrangements with regard to this provision.

The final two provisions of the Omnibus Adoption Act are so critical to the promotion of adoption and the health of birthmothers and their children that I have introduced them as a separate bill as well—the Health Care and Housing for Women and Children Act. These provisions establish material health certificates and grants for rehabilitation of housing for use as maternity homes. Maternal health certificates could be used by low-income pregnant women who seek assistance in carrying their child to term at maternity homes. Here they could get housing, medical care, educational and vocational training, adoption counseling, and other supportive services. To ensure that maternity homes are available to these women, a grant program would be established to give non-profit organizations aid in rehabilitating old housing for use as maternity homes.

The American Enterprise in its January/February 1995 noted the central role which maternity homes once played in helping young, low-income women to carry their pregnancies to term and how that role has unfortunately diminished. Writer George Liebmann observed that:

> Current American welfare policy is plagued by an ideology of cash entitlement. What the poor really need today is not a check but a powerful set of rehabilitative social services. These should be offered by private community groups, without any illusion of moral neutrality. Rescuing an underclass is by definition a highly moralistic undertaking.

This is the historical mission of the maternity home. They provide therapy and support through the grouping of several young women in similar circumstances under one roof. They provide rehabilitation through education, vocational training, health care, and counseling. Furthermore, they offer discipline and supervision to women who have often lived on streets and in neighborhoods devoid of such backbone. This is crucial to the health and welfare of both mother and child. And it can all be provided by community groups with a commitment to care.

Over the past two sessions in which I have introduced these bills, they have enjoyed broad bipartisan support from more than one hundred Members. I encourage my colleagues to respond to the needs of homeless children and the families who long to help them by cosponsoring both the Omnibus Adoption Act and the Health Care and Housing for Women and Children Act.

HONORING THE STUDENTS OF FAIRFAX HIGH SCHOOL

HON. THOMAS M. DAVIS

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 27, 1995

Mr. DAVIS. Mr. Speaker, I rise today to pay tribute to some students at Fairfax High School in Fairfax, Virginia. These students represented the Eleventh Congressional District in the We The People Competition on February 14, 1995 in Richmond, Virginia. These students ranked in third place in the statewide competition with a score of 897, studying for months to become experts on the Bill of Rights. This is significant when I remind members that Fairfax County was the home of George Mason, the author of the Bill of Rights. By all accounts, these fine students have demonstrated expertise on those rights.

The We The People program is the most extensive education program in the country developed to teach young people about the Constitution and the Bill of Rights and the principles and values they embody. The course of instruction, using the specially designed With Liberty and Justice for All text, is followed by a test designed to measure the students' constitutional literacy. High school classes may then elect whether to enter a series of competitions at the congressional district, State, and national levels.

Administered by the Center for Civic Education and funded by the U.S. Department of Education by an Act of Congress, the program is currently being implemented in every Congressional District in the country, the four Trust Territories, and the District of Columbia. When combined with the noncompetitive elementary and middle school levels, more than 20 million students have participated in the program over the past 7 years.

Mr. Speaker, I would like to acknowledge these fine students at this time: Pretty Bhatt, Alicia Bridges, Lucy Brown, Paul Cavazos, Maya Crumbaugh, Anita Grover, Brian Johnson, Brooke Kemp, Margarita Koushinova, Christy McMillian, Kevin McPherson, Moghees Nezam, Jonathan Park, Iana Phillips, Jake Spatz, Thanh Tran, Beth Ulan, Patrick Varney, Alex Will, Laurie Wright, and Rabiah Yusef.

Mr. Speaker, I know that all of my colleagues join me in commending these fine students for becoming experts on the Bill of Rights and for joining in the battle of ideas with their peers on all levels of competition.

TRIBUTE TO THE LEAGUE OF UNITED LATIN AMERICAN CITIZENS

HON. ED PASTOR

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 27, 1995

Mr. PASTOR. Mr. Speaker, I wish to call my colleagues' attention to the efforts of one organization to prevent the youth of our Nation from becoming school dropouts. The League of United Latin American Citizens (LULAC) will be holding its Annual Youth Leadership Conference on Friday, March 17 on the campus of Pima Community College in Arizona. Approximately 1,500 at-risk 7th through 12th graders from around the State will be participating in this day of education and motivation. They will be directed by business, government and community leaders through 40 workshop sessions designed to teach goal-setting skills and instill the value that staying in school is a necessity in facilitating their success in life. Muralist, Judith Baca will be this year's keynote speaker. I am confident this program will leave its young participants with a sense of hope for the future and the realization that their education is the cornerstone in their preparation to become tomorrow's leaders.

LULAC, the conference organizer, was founded in 1929 and is the Nation's oldest Hispanic-American civic organization. Its purpose is to assist underprivileged Hispanics through a variety of programs which promote economic development, cultural heritage, and political involvement. For the past 6 years, the League has targeted the prevention of dropouts as a high priority for all volunteer efforts in Arizona. This year it will team up with the Metro Educational Commission, Pima Community College, the University of Arizona, the Tucson Police Department, and the Pima County Sheriff's Department in promoting education as the road to persistence and success in the Hispanic community.

I would like to commend and extend my gratitude to all involved in LULAC for their untiring efforts to preserve the promise of tomorrow by working to keep America's young people in school. I have no doubt that the leadership conference will be resounding success and a model for other events around the country.

SSI FOR SAMOA

HON. ENI F.H. FALEOMAVAEGA

OF AMERICAN SAMOA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 27, 1995

Mr. FALEOMAVAEGA. Mr. Speaker, American Samoa is the only jurisdiction of the United States that is not served by the SSI program, nor its predecessor program, the Aid to the Aged, Blind, or Disabled [AABD]. SSI and AABD are basically the same in design. The only significant difference between the two programs is funding. With SSI, benefits and the cost of administering the program are fully financed by the Federal Treasury. As for AABD, the Federal Government pays 75 percent of benefits up to a specified limit and the States absorb the remaining 25 percent. Administrative cost is shared by both the Federal Government and the States at 50 percent each.

Under current law, in order to receive SSI benefits, a low-income elderly, blind or disabled individual must reside in one of the 50 States, the District of Columbia, or the Commonwealth of the Northern Mariana Islands. For qualified individuals who reside in Guam, Puerto Rico, or the Virgin Islands, similar benefits are available to them through the AABD program. Unfortunately, the elderly, blind and disabled individuals in American Samoa who have low or no income are not covered by either program.

Mr. Speaker, this is yet another example of a vital program extended to all 50 States, the District of Columbia, Puerto Rico, Guam, Virgin Islands, and the Northern Mariana Islands,

but not American Samoa. I believe this may have been an oversight when Puerto Rico and the Virgin Islands were included in the AABD program in 1950, and Guam after 1952.

According to a recent survey in American Samoa, there are now approximately 3,500 elderly, blind and disabled individuals with low or no income. These individuals currently receive some assistance through a nutrition assistance program, but funding for this program is determined on a year-to-year basis.

In addition, Mr. Speaker, the elderly population in American Samoa are caught between two systems. When Social Security went into effect in Samoa, this group of people were too old to contribute long enough to qualify for minimum benefits. On the other hand, the territorial retirement system did not begin until 1971. By that time, many of these people had already left the work force or had so little time remaining that they were also excluded from benefits under this system.

In each Congress since 1990, I have introduced legislation to include Samoa's elderly, blind and disabled population in the SSI program to address their critical financial needs. In 1990, it was estimated that approximately 1,600 such individuals resided in the Territory. The Congressional Budget Office estimated that if SSI was in place in American Samoa in 1993, Federal outlays would be about $3 million higher than under current law.

Mr. Speaker, I know we are going through a difficult time in budgeting our revenue. I also know all Americans will have to sacrifice to bring our budget into balance. As we go through this process, I simply want to ask my colleagues that we not ask the most vulnerable among us, namely the blind, disabled and poor elderly, to make a disproportionate share of that sacrifice.

Mr. Speaker, I submit the bill to be printed in the RECORD as follows:

H.R.—

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

SECTION 1. EXTENSION OF SUPPLEMENTAL SECURITY INCOME BENEFITS PROGRAM TO AMERICAN SAMOA.

(a) IN GENERAL.—The 7th sentence of section 1101(a)(1) of the Social Security Act (42 U.S.C. 1301(a)(1)) is amended by inserting 'and title XVI (as in effect pursuant to the amendment made by section 301 of the Social Security Amendments of 1972)' before 'also'.

(b) CONFORMING AMENDMENTS.—

(1) Section 1614(e) of such Act (42 U.S.C. 1382c(e)) is amended by inserting ', American Samoa,' before 'and'.

(2) Section 1614(a)(1)(B)(ii) of such Act (42 U.S.C. 1382c(a)(1)(B)(ii)) is amended by inserting 'or national' after 'citizen'.

SEC. 2. EFFECTIVE DATE.

The amendments made by section 1 shall take effect on October 1, 1995.

HEARING CARE FOR FEDERAL EMPLOYEES ACT

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, February 27, 1995

Mr. GILMAN. Mr. Speaker, I rise today to introduce legislation H.R. 1057 which would cover audiology services for Federal employees.

More specifically, this measure would amend the statute governing the Federal Employees Health Benefits Program [FEHBP] by requiring FEHBP insurance carriers to guarantee direct access to, and reimbursement for, audiologist-provided hearing care services when hearing care is covered under a FEHBP plan.

The statute that this legislation would amend is 5 U.S.C., section 8902(k)(1), which allows direct access to services provided by optometrists, clinical psychologists and nurse midwives, yet fails to allow direct access to services provided by audiologists in FEHBP plans covering hearing care services.

My legislation would not increase health care costs since it would not mandate any new insurance benefits. On the contrary, the bill should reduce the costs of hearing care by facilitating direct access to health care providers who are uniquely qualified and generally used to diagnose the extent and causes of hearing impairment.

Accordingly, I urge my colleagues to cosponsor this measure, H.R.1057.

At this point in the RECORD I request that the full text of my bill be inserted for review by my colleagues.

H.R. 1057

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

SECTION 1. This Act may be cited as the ''Hearing Care for Federal Employees Act''.

SEC. 2. Section 8902(k)(1) of title 5, United States Code, is amended by inserting the word ''audiologist,'' after the word ''optometrist'' wherever it appears in that section.

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.

Meetings scheduled for Tuesday, February 28, 1995, may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

MARCH 1

9:00 a.m.
Environment and Public Works
Superfund, Waste Control, and Risk Assessment Subcommittee
To hold hearings to examine proposals to authorize State and local governments to enact flow control laws and to regulate the interstate transportation of solid waste.
SD–406

9:30 a.m.
Appropriations
Interior Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1996 for the National Endowment for the Arts.
SD–192

Appropriations
Energy and Water Development Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1996 for the Department of Energy, focusing on atomic energy defense activities.
SD–116

Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To hold oversight hearings on the United States civilian space program.
SR–253

Energy and Natural Resources
To hold hearings on S. 395, to authorize and direct the Secretary of Energy to sell the Alaska Power Marketing Administration, including title II, proposed Trans-Alaska Pipeline Amendment Act.
SD–366

Finance
To hold hearings on proposed legislation to change the Social Security earnings limit and repeal the tax on 85% of Social Security benefits.
SD–215

Labor and Human Resources
To continue hearings to examine the impact of welfare reform, focusing on the child care system.
SD–430

Veterans' Affairs
To hold joint hearings with the House Committee on Veterans Affairs to review the legislative recommendations of the Disabled American Veterans.
345 Cannon Building

10:00 a.m.
Appropriations
Agriculture, Rural Development, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1996 for the Commodity Futures Trading Commission, Farm Credit Administration, and the Food and Drug Administration of the Department of Health and Human Services.
SD–138

Appropriations
Commerce, Justice, State, and Judiciary Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1996 for the Department of State.
S–146, Capitol

11:00 a.m.
Appropriations
Interior Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1996 for the National Endowment for the Humanities.
SD–192

Foreign Relations
To continue hearings on the ratification of the Treaty Between the United States and the Russian Federation on Further Reduction and Limitation of Strategic Offensive Arms (START II Treaty) (Treaty Doc. 103-1).
SD–419

2:00 p.m.
Energy and Natural Resources
Forests and Public Land Management Subcommittee
To hold hearings on S. 391, to authorize and direct the Secretaries of the Interior and Agriculture to undertake activities to halt and reverse the decline in forest health on Federal lands.
SD–366

Select on Intelligence
To hold closed hearings on intelligence matters.
SH–219

2:30 p.m.
Commerce, Science, and Transportation
Aviation Subcommittee
To hold hearings to review the recommendations of the President's Airline Commission.
SR–253

MARCH 2

9:30 a.m.
Armed Services
To resume hearings on proposed legislation authorizing funds for fiscal year 1996 for the Department of Defense and the future years defense program.
SR–222

Commerce, Science, and Transportation
Business meeting, to consider the nomination of Robert Pitofsky, of Maryland, to be a Federal Trade Commissioner.
SR–253

Energy and Natural Resources
To hold hearings on S. 167, to revise certain provisions of the Nuclear Waste Policy Act of 1982, S. 433, to reaffirm the Federal Government's commitment to electric consumers and environmental protection by reaffirming the requirement of the Nuclear Waste Policy Act of 1982 that the Secretary of Energy provide for the safe disposal of spent nuclear fuel beginning not later than January 31, 1998, S. 429, to revise the Nuclear Waste Policy Act of 1982 to allow commercial nuclear utilities that have contracts with the Secretary of Energy under section 302 of that Act to receive credits to offset the cost of storing spent fuel that the Secretary is unable to accept for storage on and after Jan. 31, 1998, and S. 473, to establish as the nuclear energy policy of the U.S. that no new civilian nuclear power reactors shall be built until adequate waste emplacement capacity is available.
SD–366

Finance
To hold hearings to examine middle income tax proposals.
SD–215

Labor and Human Resources
Education, Arts and Humanities Subcommittee
To resume hearings on proposed legislation authorizing funds for programs of the National Foundation on the Arts and Humanities Act of 1965, focusing on the National Endowment for the Humanities.
SD–430

Special on Aging
To hold hearings to examine Social Security and disability policy issues, focusing on the large growth of the Supplemental Security Income and Social Security Disability Insurance programs.
SD–562

9:45 a.m.
Commerce, Science, and Transportation
To hold hearings on U.S. telecommunication policy.
SR–253

10:00 a.m.
Appropriations
Transportation Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1996 for the Department of Transportation.
SD–192

Environment and Public Works
Drinking Water, Fisheries, and Wildlife Subcommittee
To hold oversight hearings on efforts by the United States Forest Service and the National Marine Fisheries Service to comply with recent court decisions requiring consultation on forest plans under Section 7(a)(2) of the Endangered Species Act.
SD–406

Governmental Affairs
Business meeting, to mark up S. 4, to grant the power to the President to reduce budget authority, and S. 14, to amend the Congressional Budget and Impoundment Control Act of 1974 to provide for the expedited consideration of certain proposed cancellations of budget items.
SD–342

2:00 p.m.
Appropriations
Business meeting, to mark up H.R. 889, making emergency supplemental appropriations and rescissions to preserve and enhance the military readiness of the Department of Defense for the fiscal year ending September 30, 1995.
S–128, Capitol

Foreign Relations
Near Eastern and South Asian Affairs Subcommittee
To hold hearings to examine U.S. policy towards Iran and Iraq.
SD–419

MARCH 3

9:30 a.m.
Appropriations
VA, HUD, and Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1996 for the National Credit Union Administration, the Neighborhood Reinvestment Corporation, the Federal Deposit Insurance Corporation, and the Resolution Trust Corporation-Inspector General.
SD–138

10:00 a.m.
Judiciary
To hold hearings to examine proposals to reform Federal habeas corpus regulations, focusing on the elimination of prisoners' abuse of the judicial process.
SD–226

MARCH 6

2:00 p.m.
Appropriations
Treasury, Postal Service, General Government Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1996 for the Office of National Drug Control Policy.
SD–192

Energy and Natural Resources
To hold hearings on S. 333, to direct the Secretary of Energy to institute certain procedures in the performance of risk assessments in connection with environmental restoration activities.
SD–366

Joint Printing
Organizational meeting to consider pending committee business.
H–164, Capitol

MARCH 7

9:30 a.m.
Energy and Natural Resources
Parks, Historic Preservation and Recreation Subcommittee
To hold joint hearings with the House Committee on Resources' Subcommittee on National Parks, Forests, and Lands to review the health of the National Park System.
SD–366

Veterans' Affairs
To hold joint hearings with the House Committee on Veterans' Affairs to review the legislative recommendations of the Veterans of Foreign Wars.
345 Cannon Building

10:00 a.m.
Appropriations
Commerce, Justice, State, and Judiciary Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1996 for the Department of Commerce.
S–146, Capitol

Judiciary
To hold hearings to examine the jury process, focusing on the search for truth in trials.
SD–226

Indian Affairs
To hold oversight hearings to review Federal programs which address the challenges facing Indian youth.
SR–485

2:00 p.m.
Appropriations
Labor, Health and Human Services, and Education Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1996 for the Department of Labor.
SD–192

MARCH 8

9:30 a.m.
Appropriations
Interior Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1996 for the United States Geological Survey, Department of the Interior.
SD–116

Energy and Natural Resources
To hold oversight hearings on domestic petroleum production and international supply.
SD–366

Governmental Affairs
To resume hearings on proposed legislation to reform the Federal regulatory process, to make government more efficient and effective.
SD–342

Small Business
To hold hearings on the proposed "Regulatory Flexibility Amendments Act".
SR–428A

10:00 a.m.
Appropriations
Agriculture, Rural Development, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1996 for rural economic and community development services of the Department of Agriculture.
SD–138

2:00 p.m.
Energy and Natural Resources
Forests and Public Land Management Subcommittee
To hold oversight hearings on Forest Service appeals.
SD–366

2:30 p.m.
Indian Affairs
To hold oversight hearings to examine the structure and funding of the Bureau of Indian Affairs.
SR–485

MARCH 9

9:30 a.m.
Agriculture, Nutrition, and Forestry
To hold hearings on proposed legislation to strengthen and improve United States agricultural programs, focusing on cost issues of certain farm programs.
SR–332

Energy and Natural Resources
Business meeting, to consider the nomination of Wilma A. Lewis, of the District of Columbia, to be Inspector General, Department of the Interior; to be followed by a closed briefing on international aspects of petroleum supply.
S–407, Capitol

10:00 a.m.
Appropriations
Transportation Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1996 for the National Transportation Safety Board.
SD–192

Judiciary
To hold hearings on S. 227, to provide an exclusive right to perform sound recordings publicly by means of digital transmissions.
SD–226

2:00 p.m.
Appropriations
Labor, Health and Human Services, and Education Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1996 for the Department of Health and Human Services.
SD–138

Appropriations
Treasury, Postal Service, General Government Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1996 for the United States Secret Service, Federal Law Enforcement Training Center, and the Financial Crimes Enforcement Network, Department of the Treasury.
SD–192

MARCH 10

9:30 a.m.
Appropriations
VA, HUD, and Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1996 for the National Science Foundation, and the Office of Science and Technology Policy.
SD–138

Joint Economic
To hold hearings to examine the employment-unemployment situation for February.
SD–562

MARCH 14

9:30 a.m.
Agriculture, Nutrition, and Forestry
To resume hearings on proposed legislation to strengthen and improve United States agricultural programs, focusing on wetlands and farm policy.
SR–332

Appropriations
Defense Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1996 for the Department of Defense.
SD–138

MARCH 15

9:30 a.m.
Appropriations
Interior Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1996 for the Smithsonian Institution.
SD–116

Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD–366

10:00 a.m.
Appropriations
Agriculture, Rural Development, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1996 for farm and foreign agriculture services of the Department of Agriculture.
SD–138

Appropriations
Commerce, Justice, State, and Judiciary Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1996 for the Department of Justice.
Room to be announced

MARCH 16

9:30 a.m.
Agriculture, Nutrition, and Forestry
To resume hearings on proposed legislation to strengthen and improve United States agricultural programs, focusing on taxpayers' stake in Federal farm policy.
SR–332

10:00 a.m.
Appropriations
Commerce, Justice, State, and Judiciary Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1996 for the Federal Bureau of Investigation and Drug Enforcement Agency, both of the Department of Justice.
S–146, Capitol

Appropriations
Transportation Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1996 for the Federal Highway Administration, Department of Transportation.
SD–192

2:00 p.m.
Appropriations
Labor, Health and Human Services, and Education Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1996 for the Department of Education.
SD–192

MARCH 22

9:30 a.m.
Appropriations
Interior Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1996 for the United States Fish and Wildlife Service, Department of the Interior.
SD–192

10:00 a.m.
Appropriations
Agriculture, Rural Development, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1996 for the Natural Resources Conservation Service, Department of Agriculture.
SD–138

MARCH 23

10:00 a.m.
Appropriations
Transportation Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1996 for the Federal Railroad Administration, Department of Transportation, and the National Passenger Railroad Corporation (Amtrak).
SD–192

2:00 p.m.
Appropriations
Treasury, Postal Service, General Government Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1996 for the Bureau of Alcohol, Tobacco and Firearms and the United States Customs Service, Department of the Treasury.
SD–192

3:00 p.m.
Appropriations
Labor, Health and Human Services, and Education Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1996 for the National Institutes of Health, Department of Health and Human Services.
SD–138

MARCH 24

9:30 a.m.
Appropriations
VA, HUD, and Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1996 for the Department of Housing and Urban Development.
SD–138

MARCH 27

2:00 p.m.
Appropriations
Treasury, Postal Service, General Government Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1996 for the Executive Office of the President, and the General Services Administration.
SD–138

MARCH 28

9:30 a.m.
Appropriations
Interior Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1996 for the Bureau of Land Management, Department of the Interior.
SD–116

MARCH 29

10:00 a.m.
Appropriations
Agriculture, Rural Development, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1996 for the Food Safety and Inspection Service, Animal and Plant Health Inspection Service, Agricultural Marketing Service, and the Grain Inspection, Packers and Stockyards Administration, all of the Department of Agriculture.
SD–138

Appropriations
Commerce, Justice, State, and Judiciary Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1996 for the Judiciary, Administrative Office of the Courts, and the Judicial Conference.
S–146, Capitol

MARCH 30

9:30 a.m.
Veterans' Affairs
To hold joint hearings with the House Committee on Veterans' Affairs to review the legislative recommendations of AMVETS, American Ex-Prisoners of War, Vietnam Veterans of America, Blinded Veterans Association, and the Military Order of the Purple Heart.
345 Cannon Building

10:00 a.m.
Appropriations
Transportation Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1996 for the Federal Aviation Administration, Department of Transportation.
SD–192

MARCH 31

9:30 a.m.
Agriculture, Nutrition, and Forestry
To resume hearings on proposed legislation to strengthen and improve United States agricultural programs, focusing on agricultural credit.
SR–332

Appropriations
VA, HUD, and Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1996 for the Department of Veterans Affairs, the Court of Veteran's Appeals, and Veterans Affairs Service Organizations.
SD–138

APRIL 3

2:00 p.m.
Appropriations
Treasury, Postal Service, General Government Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1996 for the Internal Revenue Service, Department of the Treasury, and the Office of Personnel Management.
SD–138

APRIL 4

9:30 a.m.
Agriculture, Nutrition, and Forestry
To resume hearings on proposed legislation to strengthen and improve United States agricultural programs, focusing on market effects of Federal farm policy.
SR–332

Appropriations
Interior Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1996 for the National Park Service, Department of the Interior.
SD–138

APRIL 5

9:30 a.m.
Appropriations
VA, HUD, and Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1996 for the National Aeronautics and Space Administration.
SD–192

10:00 a.m.
Appropriations
Agriculture, Rural Development, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1996 for the Agricultural Research Service, Cooperative State Research, Education, and Extension Service, Economic Research Service, and the National Agricultural Statistics Service, all of the Department of Agriculture.
SD–138

Appropriations
Commerce, Justice, State, and Judiciary Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1996 for the Immigration and Naturalization Service, and the Bureau of Prisons, both of the Department of Justice.
S–146, Capitol

APRIL 6

9:30 a.m.
Appropriations
VA, HUD, and Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1996 for the Federal Emergency Management Agency.
SD–138

2:00 p.m.
Appropriations
Treasury, Postal Service, General Government Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1996 for the Department of the Treasury and the Office of Management and Budget.
SD–116

APRIL 26

9:30 a.m.
Appropriations
Interior Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1996 for energy conservation.
SD–116

10:00 a.m.
Appropriations
Agriculture, Rural Development, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1996 for the Food and Consumer Service, Department of Agriculture.
SD–138

Appropriations
Commerce, Justice, State, and Judiciary Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1996 for the Legal Services Corporation.
S–146, Capitol

11:00 a.m.
Appropriations
Interior Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1996 for fossil energy, clean coal technology, Strategic Petroleum Reserve, and the Naval Petroleum Reserve.
SD–116

APRIL 27

10:00 a.m.
Appropriations
Transportation Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1996 for the Federal Transit Administration, Department of Transportation.
SD–192

MAY 2

9:30 a.m.
Appropriations
Interior Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1996 for the Forest Service of the Department of Agriculture.
SD–138

MAY 3

9:30 a.m.
Appropriations
VA, HUD, and Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1996 for the Environmental Protection Agency, the Council on Environmental Quality, and the Agency for Toxic Substances and Disease Registry.
SD–192

10:00 a.m.
Appropriations
Agriculture, Rural Development, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1996 for the Department of Agriculture.
SD–138

MAY 4

10:00 a.m.
Appropriations
Transportation Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1996 for the United States Coast Guard, Department of Transportation.
SD–192

MAY 5

9:30 a.m.
Appropriations
VA, HUD, and Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1996 for Environmental Protection Agency science programs.
SD–138

MAY 11

10:00 a.m.
Appropriations
Interior Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1996 for the Bureau of Indian Affairs, Department of the Interior.
SD–116

1:00 p.m.
Appropriations
Interior Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1996 for the Indian Health Service, Department of Health and Human Services.
SD–116

MAY 17

9:30 a.m.
Appropriations
Interior Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1996 for the Department of the Interior.
SD–192

CANCELLATIONS

FEBRUARY 28

2:00 p.m.
Appropriations
Treasury, Postal Service, General Government Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1996 for the United States Postal Service.
SD–116

Special on Aging
Business meeting, to consider pending committee business.
SD–562

MARCH 1

9:30 a.m.
Governmental Affairs
To resume hearings on proposed legislation to reform the Federal regulatory process, to make government more efficient and effective.
SD–342

Daily Digest

Senate

Chamber Action

Routine Proceedings, pages S3139–S3228

Measures Introduced: Four bills and one resolution were introduced, as follows: S. 475–478, and S. Res. 81. **Page S3221**

Measures Reported: Reports were made as follows:

S. 4, to grant the power to the President to reduce budget authority, without recommendation, with amendments. (S. Rept. No. 104–9)

S. 14, to amend the Congressional Budget and Impoundment Control Act of 1974 to provide for the expedited consideration of certain proposed cancellations of budget items, without recommendation, with an amendment in the nature of a substitute. (S. Rept. No. 104–10) **Page S3221**

Measures Passed:

Commending Robert Reischauer: Senate agreed to S. Res. 81, commending Robert D. Reischauer for his service to the Congress and the Nation. **Page S3227**

Balanced Budget Constitutional Amendment: Senate resumed consideration of H.J. Res. 1, proposing a balanced budget amendment to the Constitution of the United States. **Pages S3148–S3220**

Pending:

(1) Feinstein Amendment No. 274, in the nature of a substitute. **Page S3148**

(2) Feingold Amendment No. 291, to provide that receipts and outlays of the Tennessee Valley Authority shall not be counted as receipts or outlays for purposes of this article. **Page S3148**

(3) Graham Amendment No. 259, to strike the limitation on debt held by the public. **Pages S3148, S3179–83**

(4) Graham Amendment No. 298, to clarify the application of the public debt limit with respect to redemptions from the Social Security Trust Funds. **Pages S3148, S3179–83**

(5) Kennedy Amendment No. 267, to provide that the balanced budget constitutional amendment does not authorize the President to impound lawfully appropriated funds or impose taxes, duties, or fees. **Pages S3148, S3176–78**

(6) Bumpers modified motion to refer H.J. Res. 1 to the Committee on the Budget with instructions. **Page S3148**

(7) Nunn Amendment No. 299, to permit waiver of the amendment during an economic emergency. **Page S3148**

(8) Nunn Amendment No. 300, to limit judicial review. **Page S3148**

(9) Levin Amendment No. 273, to require Congress to pass legislation specifying the means for implementing and enforcing a balanced budget before the balanced budget amendment is submitted to the States for ratification. **Page S3148**

(10) Levin Amendment No. 310, to provide that the Vice President of the United States shall be able to cast the deciding vote in the Senate if the whole number of the Senate be equally divided. **Page S3149**

(11) Levin Amendment No. 311, to provide that the Vice President of the United States shall not be able to cast the deciding vote in the Senate if the whole number of the Senate be equally divided. **Page S3149**

(12) Pryor Amendment No. 307, to give the people of each State, through their State representatives, the right to tell Congress how they would cut spending in their State in order to balance the budget. **Pages S3149, S3186–87**

(13) Byrd Amendment No. 252, to permit outlays to exceed receipts by a majority vote. **Pages S3149–75, S3227**

(14) Byrd Amendment No. 254, to establish that the limit on the public debt shall not be increased unless Congress provides by law for such an increase. **Pages S3149–75, S3227**

(15) Byrd Amendment No. 255, to permit the President to submit an alternative budget. **Pages S3149–75, S3227**

(16) Byrd Amendment No. 253, to permit a bill to increase revenue to become law by majority vote. **Pages S3149–75, S3227**

(17) Byrd Amendment No. 258, to strike any reliance on estimates. **Pages S3149–75, S3227**

(18) Kerry motion to commit H.J. Res. 1 to the Committee on the Budget. **Page S3149**

(19) Hatch (for Dole) motion to recommit H.J. Res. 1 to the Committee on the Budget with instructions. **Page S3149**

(20) Hatch (for Dole) motion to recommit H.J. Res. 1 to the Committee on the Budget with instructions. **Page S3149**

(21) Hatch (for Dole) motion to commit H.J. Res. 1 to the Committee on the Judiciary with instructions. **Page S3149**

(22) Hatch (for Dole) motion to commit H.J. Res. 1 to the Committee on the Judiciary with instructions. **Page S3149**

Withdrawn:

Byrd Amendment No. 289, to provide that any bill to increase revenues shall not become law unless three-fifths of the whole number of each House shall provide by law for such an increase by a rollcall vote. **Page S3227**

By prior consent agreement, votes on the pending amendments and motions will occur on Tuesday, February 28, 1995, beginning at 2:15 p.m.

Senate will continue consideration of the resolution on Tuesday, February 28, 1995.

Nominations Received: Senate received the following nominations: Edmundo A. Gonzales, of Colorado, to be Chief Financial Officer, Department of Labor.

John D. Kemp, of the District of Columbia, to be a Member of the National Council on Disability for a term expiring September 17, 1997.

Josue Robles, Jr., of Texas, to be a Member of the Defense Base Closure and Realignment Commission for a term expiring at the end of the first session of the 104th Congress.

Routine lists in the Army. **Pages S3228–29**

Messages From the House: **Page S3221**

Measures Referred: **Page S3221**

Statements on Introduced Bills: **Pages S3221–23**

Additional Cosponsors: **Page S3223**

Notices of Hearings: **Page S3223**

Additional Statements: **Pages S3223–27**

Recess: Senate convened at 12 noon, and recessed at 8:19 p.m., until 9 a.m., on Tuesday, February 28, 1995. (For Senate's program, see the remarks of the Acting Majority Leader in today's RECORD on pages S3227–28.)

Committee Meetings

(Committees not listed did not meet)

NOMINATIONS

Committee on the Judiciary: Committee concluded hearings on the nominations of Karen Nelson Moore, of Ohio, to be United States Circuit Judge for the Sixth Circuit, Janet Bond Arterton, to be United States District Judge for the District of Connecticut, Willis B. Hunt, Jr., to be United States District Judge for the Northern District of Georgia, and Charles B. Kornmann, to be United States District Judge for the District of South Dakota, after the nominees testified and answered questions in their own behalf. Ms. Moore was introduced by Senators DeWine and Glenn, Ms. Arterton was introduced by Senator Dodd, Mr. Hunt was introduced by Senator Coverdell, and Mr. Kornmann was introduced by Senators Pressler and Daschle.

House of Representatives

Chamber Action

Bills Introduced: Thirteen public bills, H.R. 1057–1069, were introduced. **Page H2306**

Reports Filed: Reports were filed as follows:

H. Res. 100, providing for the consideration of H.R. 926, to promote regulatory flexibility and enhance public participation in Federal agency rulemaking (H. Rept. 104–52);

H. Res. 80, requesting the President to submit information to the House of Representatives concerning actions taken through the exchange stabilization fund to strengthen the Mexican peso and stabilize the economy of Mexico, amended (H. Rept. 104–53);

H.R. 531, to designate the Great Western Scenic Trail as a study trail under the National Trails System Act, amended (H. Rept. 104–54); and

H.R. 529, to authorize the exchange of National Forest System lands in the Targhee National Forest in Idaho for non-Federal lands within the forest in Wyoming, amended (H. Rept. 104–55).

Pages H2261, H2305–06

Speaker Pro Tempore: Read a letter from the Speaker wherein he designates Representative Crapo to act as Speaker pro tempore for today. **Page H2227**

Recess: House recessed at 1:05 p.m. and reconvened at 2:00 p.m. **Page H2231**

Risk Assessment and Cost-Benefit Analysis: House completed all general debate and began consideration of amendments to H.R. 1022, to provide regulatory reform and to focus national economic resources on the greatest risks to human health, safety, and the environment through scientifically objective and unbiased risk assessments and through the consideration of costs and benefits in major rules; but came to no resolution thereon. Consideration of amendments will resume on Tuesday, February 28. **Pages H2243–60, H2261–88**

Agreed To the Crapo amendment that defines the term ''emergency'' as a situation that is immediately impending and extraordinary in nature, demanding attention due to a condition, circumstance, or practice reasonably expected to cause death, serious illness, or severe injury to humans, or substantial endangerment to private property or the environment if no action is taken. **Pages H2285–87**

Rejected the Brown of California amendment in the nature of a substitute that sought to require major Federal regulatory agencies (except the National Oceanic and Atmospheric Administration, the Army Corps of Engineers and the Nuclear Regulatory Commission) to set regulatory priorities, consistent with existing law, based on the seriousness of the risks involved and the availability of resources; require affected agencies to conduct risk assessments and cost-benefit analyses for major rules, defining a major rule as one with costs of $100 million; prevent provisions to supersede existing health, safety, or environmental laws; require the General Accounting Office to conduct an annual review and report to Congress on each agency's compliance with provisions; specify that no new right to judicial review be created and that failure to follow procedures would not invalidate any rule; provide that nothing in the provisions create an obligation or burden on State and local governments; and require that agencies provide for independent peer review of risk assessments used for major regulations, but that persons with conflicts of interest be barred from serving on peer review panels (rejected by a recorded vote of 174 ayes to 246 noes, Roll No. 176). **Pages H2265–85**

H. Res. 96, the rule under which the bill is being considered, was agreed to earlier by a yea-and-nay vote of 253 yeas to 165 nays, Roll No. 175. **Pages H2234–43, H2260–61**

Committees To Sit: It was made in order that the following committees and their subcommittees be permitted to sit on Tuesday, February 28, during proceedings of the House under the five-minute rule: Committees on Agriculture, Banking and Financial Services, Government Reform and Oversight, House Oversight, Judiciary, National Security, Small Business, and Transportation and Infrastructure. **Page H2288**

Amendments Ordered Printed: Amendments ordered printed pursuant to the rule appear on pages H2307–08.

Quorum Calls—Votes: One yea-and-nay vote and one recorded vote developed during the proceedings of the House today and appear on pages H2260–61 and H2285. There were no quorum calls.

Adjournment: Met at 12:30 p.m. and adjourned at 11:08 p.m.

Committee Meetings

TRANSPORTATION APPROPRIATIONS

Committee on Appropriations: Subcommittee on Transportation, and Related Agencies held a hearing on National Highway Traffic Safety Administration, Panama Canal Commission, and on Architectural and Transportation Barriers Compliance Board. Testimony was heard from Ricardo Martinez, M.D., Administrator, National Highway Traffic Safety Administration, Department of Transportation; the following officials of the Panama Canal Commission: Joe Reeter, Chairman; and Gilberto Guardia, Administrator; and Jack Catlin, Chairman, Architectural and Transportation Barriers Compliance Board.

VA, HUD AND INDEPENDENT AGENCIES APPROPRIATIONS

Committee on Appropriations: Subcommittee on Veterans' Affairs and Housing and Urban Development, and Independent Agencies held a hearing on the Consumer Product Safety Commission. Testimony was heard from Ann Brown, Chairman, Consumer Product Safety Commission.

REGULATORY REFORM AND RELIEF ACT

Committee on Rules: Granted, by voice vote, an open rule providing 90 minutes of debate on H.R. 926, Regulatory Reform and Relief Act of 1995, 60 minutes to be equally divided and controlled between the chairman and ranking minority member of the Committee on the Judiciary and 30 minutes to be equally divided and controlled between the chairman and ranking minority member of the Committee on Small Business. The rule makes in order the Committee on the Judiciary amendment in the nature of a substitute as an original bill for the purpose of amendment which shall be considered as read. The substitute shall be considered by title rather than by section. Priority in recognition may be accorded to Members who have pre-printed their amendment in

the CONGRESSIONAL RECORD prior to their consideration. Finally, the rule provides one motion to recommit with or without instructions. Testimony was heard from Representatives Gekas and Reed.

METROPOLITAN WASHINGTON AIRPORTS AMENDMENTS ACT

Committee on Transportation and Infrastructure: Subcommittee on Aviation approved for full Committee action H.R. 1036, Metropolitan Washington Airports Amendments Act of 1995.

IRS BUDGET PROPOSAL AND 1995 TAX RETURN FILING SEASON

Committee on Ways and Means: Subcommittee on Oversight held a hearing on the IRS Budget Proposal for Fiscal Year 1996 and the 1995 Tax Return Filing Season. Testimony was heard from Margaret Milner Richardson, Commissioner, IRS, Department of the Treasury; Jennie S. Stathis, Director, Tax Policy and Administration Issues, GAO; and public witnesses.

ADMINISTRATION'S BUDGET PROPOSALS

Committee on Ways and Means: Subcommittee on Trade held a hearing on the Administration's budget proposals, including the U.S. Customs Service; International Trade Commission; the Office of the U.S. Trade Representative, and the possible extension of the Generalized System of Preferences program. Testimony was heard from Peter S. Watson, Chairman, U.S. International Trade Commission; Michael H. Lane, Deputy Commissioner, U.S. Customs Service, Department of the Treasury; Ira Shapiro, General Counsel, Office of the U.S. Trade Representative; Allan Mendelowitz, Managing Director, International Trade, Finance, and Competitiveness Issues, GAO; and public witnesses.

COMMITTEE MEETINGS FOR TUESDAY, FEBRUARY 28, 1995

(Committee meetings are open unless otherwise indicated)

Senate

Committee on Appropriations, Subcommittee on Energy and Water Development to hold joint hearings with the Committee on Energy and Natural Resources' Subcommittee on Energy Research and Development, to review the findings of the Task Force on Alternative Futures for Department of Energy National Laboratories, 9:30 a.m., SD–366.

Committee on Armed Services, to hold hearings on the nomination of Shelia Cheston, of the District of Columbia, to be General Counsel of the Department of the Air Force, 10 a.m., SR–222.

Committee on Banking, Housing, and Urban Affairs, to hold hearings to examine Federal credit union activities, 10 a.m., SD–538.

Committee on Energy and Natural Resources, Subcommittee on Energy Research and Development to hold joint hearings with the Committee on Appropriations' Subcommittee on Energy and Water Development, to review the findings of the Task Force on Alternative Futures for Department of Energy National Laboratories, 9:30 a.m., SD–366.

Committee on Finance, to hold hearings to examine the Medicare Program, focusing on perspectives on the past and implications for the future, 9:30 a.m., SD–215.

Committee on Foreign Relations, to hold open and closed (S–407) hearings on the ratification of the Treaty Between the United States and the Russian Federation on Further Reduction and Limitation of Strategic Offensive Arms (START II Treaty) (Treaty Doc. 103–1), 10 a.m., S–116, Capitol.

Full Committee, business meeting, to consider pending nominations, 2 p.m., S–116, Capitol.

Committee on Governmental Affairs, business meeting, to mark up S. 219, to ensure economy and efficiency of Federal Government operations by establishing a moratorium on regulatory rulemaking actions, 10 a.m., SD–342.

Committee on Labor and Human Resources, to hold hearings to examine the impact of welfare reform, focusing on children and their families, 9:30 a.m., SD–430.

NOTICE

For a listing of Senate Committee Meetings scheduled ahead, see pages E454–57 in today's RECORD.

House

Committee on Agriculture, Subcommittee on Risk Management and Specialty Crops, hearing and markup of H.R. 618, to extend the authorization for appropriations for the Community Futures Trading Commission through fiscal year 2000, 9:30 a.m., 1302 Longworth.

Committee on Appropriations, Subcommittee on Agriculture, Rural Development, Food and Drug Administration, and Related Agencies, on Agricultural Research Service, and Economic Research Service, 1 p.m., 2362A Rayburn.

Subcommittee on Energy and Water Development, on Corps of Engineers: Remaining Items, 10 a.m., Appalachian Regional Commission, 2 p.m., and on TVA, 3 p.m., 2362B Rayburn.

Subcommittee on Foreign Operations, Export Financing, and Related Agencies, on the Secretary of the Treasury, 10 a.m., H–144 Capitol.

Subcommittee on Interior and Related Agencies, on Office of Navajo and Hopi Indian Relocation, and on Institute of American Indian and Alaska Native Culture and Arts Development, 1:30 p.m., B–308 Rayburn.

Subcommittee on Labor, Health and Human Services, Education and Related Agencies, on Nobel Laureates Biomedical Research Panel, 10 a.m., and 2 p.m., 2358 Rayburn.

Subcommittee on Military Construction, on Army Military Construction, 9:30 a.m., B–300 Rayburn.

Subcommittee on National Security, on Military Quality of Life Issues, 10 a.m., and executive, on U.S. Transportation Command, 1:30 p.m., H–140 Capitol.

Subcommittee on Transportation, and Related Agencies, on Coast Guard, 10 a.m., 2358 Rayburn.

Subcommittee on Treasury, Postal Service, and General Government, on U.S. Postal Service/GAO, 10 a.m., and on U.S. Mint, Bureau of Engraving and Printing, and on Bureau of Public Debt, 2 p.m., H–163 Capitol.

Subcommittee on Veterans' Affairs and Housing and Urban Development, and Independent Agencies, on Selective Service System, and on Neighborhood Reinvestment Corporation, 1:30 p.m., H–143 Capitol.

Committee on Banking and Financial Service, hearing on the following: H.R. 18, Financial Services Competitiveness Act of 1995, Glass-Steagall Reform; and related issues, 10 a.m., 2128 Rayburn.

Committee on the Budget, hearing on Could a Free Market Work Here? The Virtues of Privatization, 10 a.m., 210 Cannon.

Committee on Government Reform and Oversight, Subcommittee on Government Management, Information and Technology, hearing on Simplifying and Streamlining the Federal Procurement Process, 2:30 p.m., 2154 Rayburn.

Committee on House Oversight, to consider funding requests for the following Committees: House Oversight; Ways and Means, Agriculture, Commerce, National Security; Rules; Transportation and Infrastructure; International Relations; Government Reform and Oversight; and Veterans' Affairs, 10 a.m., 1310 Longworth.

Committee on the Judiciary, to mark up the following measures: H.J. Res. 2, proposing an amendment to the Constitution of the United States with respect to the number of terms of office of Members of the Senate and House of Representatives; H.J. Res. 3, proposing an amendment to the Constitution of the United States limiting the period of time U.S. Senators and Representatives may serve; and H.J. Res. 8, proposing an amendment to the Constitution of the United States to limit the terms of office for Representatives and Senators in Congress, 9:30 a.m., 2141 Rayburn.

Committee on National Security, to continue hearings on fiscal year 1996 national defense authorization, 9:30 a.m., 2118 Rayburn.

Committee on Rules, to consider H.R. 925, Private Property Protection Act of 1995, 2 p.m., H–313 Capitol.

Committee on Small Business, hearing on the Overall Review of the SBA, 10 a.m., 2359 Rayburn.

Committee on Standards of Official Conduct, executive, to consider pending business, 8:30 a.m., HT–2M Capitol.

Committee on Transportation and Infrastructure, Subcommittee on Surface Transportation, to continue hearings on legislation to Improve the National Highway System and Ancillary Issues Relating to Highway and Transit Programs, 10 a.m., 2167 Rayburn.

Committee on Ways and Means, to mark up welfare reform legislation, 11 a.m., 1100 Longworth.

Permanent Select Committee on Intelligence, executive, hearing on the Collection Overview, 10 a.m., H–405 Capitol.

Next Meeting of the SENATE

9 a.m., Tuesday, February 28

Senate Chamber

Program for Tuesday: Senate will resume consideration of H.J. Res. 1, Balanced Budget Constitutional Amendment.

(Senate will recess from 12:30 p.m. until 2:15 p.m. for respective party conferences.)

Next Meeting of the HOUSE OF REPRESENTATIVES

9:30 a.m., Tuesday, February 28

House Chamber

Program for Tuesday: Complete consideration of H.R. 1022, Risk Assessment and Cost-Benefit Analysis Act of 1995; and

Begin consideration of H.R. 926, Regulatory Reform and Relief Act (open rule, one hour of general debate).

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