

navigation industry—which accounts for less than 1½ percent of the economic benefits of the river—will continue to drive management of the river for the foreseeable future.

A recent review of the master manual revision by the Environmental Protection Agency found that more emphasis should be placed on recreation and less on navigation. EPA concluded that, "The preferred alternative identified in the draft environmental impact statement is likely to result in little, if any, improvement to the Missouri River ecosystem."

Navigation is a declining \$15 million industry. Recreation in the upstream States is a growing industry worth more than \$50 million today. Continuing to give clear precedence to navigation cannot be justified.

And while I am intrigued by the corps' proposal to increase the spring rise to more closely mimic natural flow conditions, I am concerned about possible impacts on bank erosion. The Missouri River has for years been plagued by bank erosion and siltation, which slowly but inexorably takes productive land from the shores and deposits it in the river, smothering fisheries and reducing the hydroelectric generating potential of the dams. It is critical that the corps develops and implements a systematic plan to reduce erosion along the river.

Under current management conditions, the four upstream States, Montana, Wyoming, South Dakota, and North Dakota—States that sacrificed prime river bottom land for the construction of dams—receive 32 percent of the benefits from the river. The four downstream States receive 68 percent of the economic benefits. To illustrate how minor are the corps' proposed changes to the master manual, under the referred alternative, downstream States continue to receive 68 percent of the economic benefits.

Times have changed. Management must change with them. In the business world, management that fails to adjust to changing conditions does not survive. The corps should strive to better reconcile the management of the river with the economic conditions that exist today.

Given the results of the GAO report, the corps' own evaluation, and the EPA review of that analysis, the proposed revisions in the master manual should have gone much farther. Greater consideration should have been given to increasing the permanent pool from its current level of 18 million acre-feet. It is clear that there are significantly greater recreation and wildlife habitat benefits at higher permanent pool levels. Given the immense and growing economic value of recreation in the upstream States, the management priorities for the river need to change.

I intend to do everything possible to encourage the corps to recognize the changes and trends in the use of the river and to develop more defensible management guidelines. The bill introduced last week is a first step. It fo-

cus a beam of light on this process and reveals the long-overdue changes that should be made.

This process will be long and arduous. To succeed in achieving meaningful change, a great deal more education and discussion will be required. I hope that my colleagues will approach this issue with an open mind and allow their judgment to be guided by objective analysis of the conditions today, rather than by memories of what they were 50 years ago.

In the end, management policy for the river should be driven by facts and reason and a desire for equity. I am confident that if those are the criteria employed, more serious and defensible change will certainly result.

Mr. President, I yield the floor.

I note the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

Mrs. FEINSTEIN. Mr. President, I ask that I may speak as in morning business for such time as I may consume.

The PRESIDING OFFICER. The Senator is recognized.

DRUG TRAFFICKING IN THE UNITED STATES

Mrs. FEINSTEIN. Mr. President, 3 weeks ago, the Senate Judiciary Committee, of which I am a member, held a very interesting hearing on drug trafficking and the increase of drug use in the United States. I would like to say a few words on the subject.

California has now replaced Florida as the major point of importation of cocaine in the United States. The California Bureau of Narcotics Enforcement reports that 80 percent of the clandestine methamphetamine manufacturing labs seized and dismantled in the United States are in California. More illegal drugs are coming into this Nation today than ever before. And Federal efforts at stopping the flow of drugs into this Nation are simply inadequate.

Last week, I met with the head of the Drug Enforcement Administration, Thomas Constantine, who told me that the DEA knows of at least forty 727-sized planes controlled by the Cali drug cartel in Colombia being used to smuggle cocaine into this country—forty 727-sized planes. Most of these planes are offloaded in northern Mexico, and drugs are moved across the California border and other Southwest borders.

Mr. Constantine also indicated to me that the Cali drug cartel's net profit last year was \$7 billion, that the cartel controls the air traffic control system of Colombia, that they control the phone company, which allows them to backtrack and tape all phone calls, and

that they are first-rate practitioners of intimidation and violence.

Consider just some of the following, Mr. President. Cocaine smuggled across the California line accounts for at least 70 percent of the drugs sent over the entire Southwest border by rings based in Mexico, making the State the prime staging area for the shipment of cocaine from cartels in Colombia and other South American countries.

Last year, the amount of cocaine seized coming across the United States-Mexican border plummeted, and not a single pound of cocaine was confiscated from the more than two million trucks that passed through three of the busiest entry points along the Southwest border—Laredo and El Paso in Texas, and Nogales in Arizona.

According to the Los Angeles Times, only 3.7 percent of laden trucks are comprehensively inspected at three San Diego-area ports of entry. The average rate along the entire Southwest border is 11.4 percent. However, last year, laden trucks crossing the border increased 51 percent, and empty trucks increased 38 percent.

Let me say clearly, I believe current Federal efforts to stop the entry of illegal drugs are not working.

THE LINE RELEASE PROGRAM

Let me describe one example of the failure of the Federal Government to stop drug smuggling. It's called the line release program. I believe this program should be discontinued immediately pending an evaluation of its effectiveness. Three weeks ago, I wrote to Secretary Robert Rubin making that recommendation.

The line release program was created in 1986 to expedite commerce entering the United States from Canada. In recent years, the program was expanded to the Mexican border as well.

Under the line release program, so-called low-risk United States companies are permitted to ship goods from Mexican manufacturers without inspection. But the line release program has had a major unintended effect. In the single-minded pursuit of increased commerce, more trucks and commercial vehicles are being waved through border checkpoints without being inspected. The result: The amount of illegal drugs coming across the border is higher than ever before.

According to a Los Angeles Times story from February 13, 1995, since the line release program was implemented, shipments of goods have increased dramatically at four critical points of entry along the United States-Mexico border—Laredo and El Paso in Texas, Nogales in Arizona, and San Diego in California. Yet, even as the number of shipments increased, the rate of inspections and drug seizures decreased dramatically.

I ask unanimous consent that this Los Angeles Times story be printed in the RECORD following my remarks.

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

(See exhibit 1.)

Mrs. FEINSTEIN. The same Los Angeles Times story states that not 1 single pound of cocaine was seized at three of the major points of entry into the United States in 1994. Not 1 pound.

One local official reportedly said:

Obviously, we're in an area of international trade. We're not in a situation where we can just stop traffic for the sake of narcotics risk. . . . We examined three percent of all the laden trucks that crossed. That is a lot of trucks.

Right? Wrong.

My view is quite different. Increased commerce does not justify increased drug smuggling. It is time to close down our border to illegal immigrants and to illegal drug smuggling. It is unacceptable to have a Federal program in place that comprehensively checks just 3 percent of the trucks coming across the border where we know the highest level of drug smuggling occurs.

Let me give you an idea of one incident in California. This past November, 5 tons of cocaine was headed to a home in Rialto in San Bernardino County. I am not talking about bags of cocaine. I am not talking about pounds of cocaine. I am not talking about kilograms of cocaine. I am talking about tons—5 tons in 1 shipment going to one house in Rialto, California. That is the level on which drug smuggling is now taking place.

On February 27, 1995, I sent a letter to Treasury Secretary Rubin asking the administration to discontinue the line release program in California pending an immediate evaluation of its capability to seek out and confiscate drugs coming across the border.

I ask unanimous consent that a copy of this letter be printed in the RECORD following my remarks.

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

(See exhibit 2.)

Mrs. FEINSTEIN. Recently, I asked the Customs Service, particularly the Director of Customs, for a complete list of the more than 10,000 individuals and companies that have been approved to participate in this so-called line release program. I have yet to be provided with that list.

In addition, this past Friday, I wrote to Secretary Rubin regarding a March 10 story in the Associated Press.

I ask unanimous consent that this letter and the Associated Press story be printed in the RECORD following my remarks.

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

(See exhibit 3.)

Mrs. FEINSTEIN. Mr. President, the Associated Press story to which I refer cited two particularly alarming items.

First, the owner of a harbor warehouse in Los Angeles who continues to this day to profit from a Customs Service inspection station located on his property, even though he is currently under federal indictment on charges of bribing an immigration agent \$10,000

for false documents for himself and employees.

Second, the Treasury Department inspector general's office has failed to secure a single indictment of a Federal official in the western region in the last 5 years, despite numerous allegations of wrongdoing.

The inspector general's office, which is responsible for investigating criminal offenses at the Customs Service and other agencies within the Treasury Department, has been successful in other regions of the country, having obtained 14 felony convictions in the Northeast region, 8 in the Southern region, and 1 in the Central Division—but none in the Western region where the problem is the most serious.

These allegations are very disturbing, and I believe they deserve the full and immediate attention of the Justice Department.

OPERATION HARD LINE

The Clinton administration recently announced a new Federal initiative to address the problem of cocaine smuggling across the southwest border. This effort, termed "Operation Hard Line," will transfer between 40 and 80 Customs agents to the southwest border, direct new funds toward needed resources and technology, and focus with greater intensity on intelligence-gathering and assessment.

It is too early to say if Operation Hard Line will have an impact. But I am very skeptical. The problems at the border are simply too great for Band-Aid solutions.

Enforcing the border is a Federal responsibility and the fact is that the job is not being adequately performed.

The Federal Government must take strong action and make a long-term commitment to go after drug traffickers. The administration must demand that Mexico assist the United States in this effort in every way, as this Nation is assisting Mexico in so many other areas.

Forty 727-size planes constantly land in northern Mexico, offload tons of cocaine, and move them through our borders. How this happens and how we are going to stop it is something we must address. We cannot tolerate corruption at high levels in the Government of Mexico as is now being written up on the front pages of our newspapers, where a Mexican official responsible for stopping narcotics has a bank account of several million dollars. Where do we believe that money came from?

As a member of both the Judiciary and the Foreign Relations Committees, I intend to take an aggressive oversight role of Federal efforts to stop drug smuggling across this Nation's borders and will report regularly to my colleagues in the Senate on the progress.

I will also begin to explore legislation to deny United States foreign aid to countries such as Colombia, who do not take appropriate steps to control the flow of contraband out of their own countries.

This administration has just sent \$20 billion in loan guarantees to Mexico, of which \$6 billion has already been drawn down. I think the United States deserves cooperation from the highest levels of the Mexican Government in what is a major scourge on the relationship between our two countries, the trafficking of large amounts of cocaine.

Shortly, I hope to see for myself the Customs Service's surveillance efforts at the border. Recently, it was described in a television report on NBC's "Dateline." What the story showed was a former Customs agent pointing out a truck, a huge container truck, going right through a Customs' checkpoint, and saying, "This truck is a known drug smuggler. Watch what happens." And the truck went right through under the "line release" program.

I find it hard to accept that the Federal Government is so desperate to increase commerce that it will allow drugs to freely enter the United States.

Mr. President, I thank you for providing me with this opportunity to update my colleagues. I will report further on developments.

Mr. President, I yield the floor.

EXHIBIT 1

[From the Los Angeles Times, Feb. 12, 1995]

BORDER INSPECTIONS EASED AND DRUG SEIZURES PLUNGE

(By H.G. Reza)

CUSTOMS: CORRUPTION PROBES FOCUS ON U.S. POLICY TO PROMOTE MEXICO TRADE. FEW TRUCKS ARE EXAMINED.

SAN DIEGO.—The amount of cocaine seized from Mexican trucks and cargo at the border plummeted last year, as U.S. Customs Service officials pressed on with a program to promote trade by letting most commercial cargo pass into this country without inspection.

Not a single pound of cocaine was confiscated from more than 2 million trucks that passed through three of the busiest entry points along the Southwest border where federal officials say most of the drug enters the country.

Of the 62,000 pounds of cocaine that Customs seized from commercial cargo nationwide, less than a ton was taken from shipments along the border with Mexico.

One reason for the sharp decline in seizures is that Customs officials appear to be doing a poor job of identifying and inspecting those trucks and cargo containers being used for drug smuggling, according to an internal report obtained by The Times.

"The target selection methods are * * * critical and apparently in more need of improvements given the huge number of examinations without success," said the Dec. 13 report by a Customs analyst.

Officials say liberalized importing procedures have dramatically increased the number of trucks crossing the border from Mexico, producing trade benefits for both countries. And now the Customs Service is considering new measures to speed up the entry of air and auto travelers into the United States.

But, according to records and interviews, the facilitation policy also has become the focal point of wide-ranging corruption probes at a number of Southwest border crossings and inspection facilities.

Since last summer, federal authorities have been looking into allegations that corrupt Customs officials and inspectors are tipping smugglers that certain shipments and vehicles have been targeted for narcotics inspections.

Sources said investigators also are examining allegations that:

Some inspectors and officials in San Diego were bribed by Mexican drug rings to remove intelligence information from Customs computers.

Investigators also are focusing on allegations that smugglers are transporting drugs in the uninspected trucks that bring cargo from Mexico.

A principal target, sources said, is an inspector who in 1990 attempted to release a propane tanker although drug-sniffing dogs had sounded the alarm. The tanker later was found to be carrying four tons of cocaine.

Inspectors and officials in the Long Beach area were bribed to allow trucks from Mexico and contraband, including AK-47 rifles and ammunition from China, to be smuggled into the ports of Long Beach and Los Angeles in ship containers.

The investigation is concentrating on private warehouses in the Long Beach area where cargo containers are examined by Customs inspectors for contraband, drugs and compliance with importation laws. The warehouses are customarily paid a fee for use of their facilities and assisting in the inspections.

But sources said importers allegedly were charged up to \$425 per container for hundreds of examinations that were never done. Investigators have been told that two Customs officials received kickbacks.

In interviews, Justice Department officials declined to confirm or deny the existence of the investigations. "If anyone has information regarding corruption within the Customs Service, we would certainly be interested in receiving that information," said Assistant U.S. Atty. Michael Flanagan in Los Angeles, who is overseeing some of the investigations.

Customs officials declined to comment on the investigations. They also defended their low seizure rates and the "facilitation program" that since the late 1980s has allowed increasing numbers of trucks and cargo containers to go uninspected at the border.

Lou Samenfink, Customs cargo control branch chief in Washington, said he does not know why seizures have fallen off and pointed out that the Customs Service instituted a new and improved random system in October for identifying shipments to be inspected.

"It could just as easily be that [drugs are] not there," he said. "It could certainly mean that our targeting policy is wrong, or that it's so effective that the smugglers aren't using commercial cargo to bring drugs in."

The Drug Enforcement Administration reports that 244,626 pounds of cocaine were seized nationwide by federal law enforcement agencies in 1993, the most recent year for which statistics are available. And officials estimate that only about 10% of the cocaine smuggled into the country is seized.

Joaquin Legarreta, spokesman for the DEA intelligence center in El Paso, said most cocaine enters the United States across the Mexican border, and most comes through regular ports of entry in commercial trucks and passenger vehicles.

In 1986, Customs began a "facilitation" policy to speed up the shipment of cargo from Canada, and the program was expanded to the Mexican border in recent years.

As part of this policy, "low-risk" U.S. importers are allowed to ship commodities from a Mexican manufacturer virtually without inspection, after passing a rigorous background check. Under the so-called "line

release" program, some importers go months without having their shipments inspected.

Former Customs Commissioner William Von Raab, who helped establish the program on the Canadian border, said he was shocked when it later was used on the Mexico border.

"It's terrible. [This] was developed to be used at a border with the highest level of integrity and lowest level of risk," Von Raab said. "I certainly would never have deployed it at the Mexican border."

The San Diego district has the lowest inspection rate for commercial trucks, records show. Only 3.7% of the laden trucks are inspected at Otay Mesa, Calexico and Tecate in California and Andrade in Arizona, compared to an average rate of 11.4% along the entire U.S.-Mexico border.

"Obviously, we're in an area of international trade," said Rex Applegate, port director of the San Diego district. "We're not in a situation where we can just stop traffic for the sake of narcotics risk. . . . We examined 3% of all the laden trucks that crossed. That is a lot of trucks. That is a lot of intrusion."

Sources said inspections are conducted randomly, once every 500 to 2,500 entries, and certain shipments are targeted based on intelligence information.

The facilitation program has resulted in increased truck traffic all along the border, especially last year when records show that laden trucks increased 51% and empty trucks increased 38%. In anticipation of the North American Free Trade Agreement a year ago, U.S. and foreign investors opened new manufacturing plants on the Mexican side of the border, triggering an increase in cargo shipments to this country.

Numerous inspectors and agents have told The Times they believe that the facilitation policy has provided narcotics smugglers with an easy way of bringing tons of cocaine into the U.S.

"The smugglers know our system as well or better than us," said Jay Erdmann, an inspector for 25 years who is retiring next month. "Why should they smuggle the dope through the desert when they can use line release?"

San Diego port director Applegate said the importing and drug targeting procedures are "very sophisticated."

"Quite frankly, the line inspector is not aware of this," Applegate said. "These guys are like platoon sergeants questioning the war strategy."

But he also said inspectors have a responsibility to target vehicles, based on behavioral analysis of the drivers.

"This risk assessment * * * depends a lot on the inspector's own knowledge," Applegate said.

A Dec. 13 document entitled "1994 Port Tracking Report" said Customs concentrates its drug enforcement efforts on shipments from 16 "high-risk" countries in South and Central America and the Caribbean.

The report said that, although most "high-risk" containers pass through the Mexican border, "substantially less" cocaine was seized there last year than the previous year.

Nationwide, customs inspectors and agents seized 62,850 pounds of cocaine from commercial land, air and sea haulers last year—only 2,000 pounds less than in 1993.

But along the Southwest border, 1,765 pounds was confiscated in 1994—all at Calexico—compared to 7,708 pounds in 1993 and 234 pounds in 1992 when truck traffic was lighter. Customs statistics show there was a similar decline in marijuana seizures, from 17,736 pounds in 1993 to 9,459 pounds last year.

Officials were unable to provide statistics for cocaine seizures in previous years along the entire border.

At the Otay Mesa commercial port—third largest on the border and located seven miles east of San Diego—there were no cocaine seizures in the past three years. There also were no seizures during the period at El Paso, the second largest commercial border crossing.

Laredo, Tex., the biggest commercial port, had no cocaine seizures last year. Inspectors there found 5,027 pounds of drug in 1993 and none in 1992.

Meanwhile, Customs officials have two new proposals to make it easier for airplane and auto travelers, not just trucks, to enter the United States, The Times has learned.

One plan under study, called Airport 2000, would require airline employees to input the names of passport holders into Customs computers.

Customs inspectors would then check the names for criminal records or ties to drug smuggling. If the name used by the traveler does not arouse suspicion, he would be allowed to leave the airport without having to go through Customs inspection.

"Airport 2000 is a concept developed here and is passenger oriented," said Dennis Shimkoski, a Customs Service spokesman in Washington.

A plan being studied in San Diego would make optional the now-mandatory license plate check of every vehicle entering this country from Mexico. Like Airport 2000, the plan was conceived to cut costs and ease entry into the United States.

Computer checks of license plates have led to the seizure of hundreds of stolen vehicles and thousands of pounds of drugs. The computer checks also tell an inspector if the vehicle is suspected of being used in smuggling and if the driver has a criminal record.

Applegate dismissed complaints from inspectors and Customs agents that the plan signals a retreat from the drug war and invites corruption in the ranks of inspectors.

"The issue is very simple. Our land border traffic is increasing, and our budget is not," Applegate said. "There would be a certain number of inspectors who would view this as the grossest sellout in customs history. [But] how much is it costing the Customs Service to input all this data and what are we getting for it?"

Von Raab, the former Customs commissioner, said he believes that the proposals will weaken enforcement efforts. "I have always seen Customs as a regulatory agency to guard borders and collect tariffs," he said.

Customs inspectors and agents have complained for years about what they call a loophole in the facilitation program. They alleged in interviews that drug rings are paying unscrupulous truck drivers and trucking companies to smuggle cocaine and other drugs—but Customs officials do not subject drivers and trucking companies to the same background checks as importers and manufacturers.

A veteran investigator who has worked on several high-profile drug cases in San Diego said that "you can have the biggest drug dealer in Mexico drive a truck through the compound * * * and the [line-release program's] computer would never tell you who he was, even if he used his real name."

"That's correct," said Barry Fleming, who supervises the line release program in San Diego. "Right now, I have to agree with the inspectors. [The problem is] the carriers. How do we operate in the unknown where we don't know the risk of the driver, the tractor [truck] or the trucking company?"

When asked why there were no cocaine seizures at the Otay mesa commercial port between 1992 and 1994, Fleming said: "Is it [because of faulty] targeting? Probably it is. We don't have enough intelligence."

Carolyn Goding, president of the San Diego Brokers Assn., agreed that there is "nothing

to stop an unscrupulous driver from throwing some cocaine underneath the seat." However, she said the program "is working well for the honest importer by helping facilitate the movement of cargo."

EXHIBIT 2

U.S. SENATE,

Washington, DC, February 27, 1995.

Hon. ROBERT RUBIN,
Secretary, Department of the Treasury,
Washington, DC.

DEAR SECRETARY RUBIN: In an earlier letter, dated February 17, 1995, I requested an investigation and reevaluation of federal efforts to seize illicit narcotics coming across this nation's borders. Since then, I've learned a great deal more and today I am writing to express my strong belief that the Customs Service's "line release" program (as we know it today) should be discontinued in California pending an evaluation of its ability to seek out and confiscate illicit contraband entering this country.

I understand approximately 10,000 companies now participate in a broad effort to move large trucks across the border with Mexico, often without inspection of cargo. I have asked the Customs Service for a full list of the companies approved to take part in the "line release" program but have yet to receive this information. I would like to re-state my request for this information.

My strong belief that the "line release" program should be discounted pending further review is based on a number of factors:

(1) It is known that the Cali Cartel in Columbia is shipping tons of illegal drugs on planes as large as 727's to Mexico, and then transporting drugs across the border and into the continental United States in trucks. Recent press reports have documented increased incidents of illegal smuggling since the "line release" program began, and a dramatic decrease of inspection and drug seizures. In fact, in 1994 not a single pound of cocaine was confiscated from more than two million trucks that passed through three of the busiest entry points along the southwest border—Laredo and El Paso in Texas, and Nogales in Arizona.

(2) Hearings of the Senate Judiciary Committee have demonstrated that drug smuggling is on the rise and California has become the major point of cocaine importation in the United States.

(3) An internal Treasury document recently brought to my attention, and subsequently printed in a news report this past Friday, suggests that serious deficiencies in the "line release" program may actually facilitate the flow of illegal drugs into California.

These developments have served only to increase my skepticism as to whether the "line release" program ever made sense at all. In 1993, before NAFTA, Customs officials seized almost four tons of cocaine off trucks crossing the border; in 1994 it was down to less than a ton. Attached is a story from yesterday's New York Times which very accurately reflects the way I feel. I have also attached recent stories printed in the Los Angeles Times which raise alarming questions about illegal drug smuggling across this nation's 2,000 mile border with Mexico.

In my opinion, the "line release" program only encourages the continued and increased flow of drug smuggling. California simply cannot be the testing ground for programs that are ineffective and which only invite increased drug smuggling.

I would appreciate a response as soon as possible regarding this matter. I would also like your views as to whether you believe Operation Hard Line, the new initiative by the Customs Service to tackle the problem of cocaine smuggling into California, ade-

quately addresses the problems raised about the "line release" program.

Thank you, in advance, for your personal attention to this matter. I look forward to hearing your thoughts.

Sincerely,

DIANNE FEINSTEIN,

U.S. Senator.

EXHIBIT 3

U.S. SENATE,

Washington, DC, March 10, 1995.

Hon. ROBERT RUBIN,
Secretary, Department of the Treasury,
Washington, DC.

DEAR SECRETARY RUBIN: Two weeks ago, I wrote to you regarding my strong belief that the "line release" program currently being administered by the Customs Service should be discontinued in California pending an evaluation of its effectiveness to seek out and confiscate illicit contraband entering the United States. I have not yet received a response.

I believe strongly that this is a urgent matter which merits your priority attention. To this end, I am also enclosing a copy of an Associated Press story from yesterday which raises additional questions about the situation at the border, including an alleged 1993 incident in which the then-District Director of the Customs Service, who was later promoted, may have prevented investigators from conducting a surprise inspection of the "line release" program at the southwest border. This investigation was aimed at determining whether unauthorized trucks, potentially carrying drugs, were allowed to cross the border without inspection.

As I stated in my February 27 letter, I believe the "line release" program only encourages the continued and increased flow of drug smuggling across the southwest border.

Again, I urge your priority attention to this matter and look forward to a response to my original letter as soon as possible.

Sincerely,

DIANNE FEINSTEIN,

U.S. Senator.

[From the Associated Press, Mar. 10, 1995]
CUSTOMS FAILS TO ACT ON SUSPENSION FOR
INDICTED WAREHOUSE OPERATOR
(By Michael White)

LOS ANGELES.—Eight months after a harbor warehouse owner was indicted on bribery charges, he's still profiting from a Customs Service inspection station on his property although investigators urged that it be shut down.

That illustrates a lack of clout that frustrates the U.S. Treasury Department's Office of the Inspector General in its role as watchdog over some of the government's biggest moneymakers, including Customs and the Internal Revenue Service, according to interviews and government records.

The problem is particularly acute in the agency's Western region where, unlike the rest of the country, inspector general's investigators have failed to obtain a single indictment of a federal official in five years.

"I think that was one of the reasons I was hired two years ago, was to change the direction, and that doesn't happen over night," said James Cottos, assistant inspector general for investigations in Washington.

In the case of the harbor warehouse, the inspector general's auditors recommended last October that National Distribution Services be suspended from doing business. Its owner, Steve Moallem, had been indicted on charges he paid an immigration agent \$10,000 for false documents for himself and employees, records show.

Being picked as the site for an examination station can mean big profits for a ware-

house operator, who charges importers for storing and unloading cargo to be inspected.

Neither Customs nor the Treasury Department itself has acted on the recommendation to suspend the company.

"We can't force the (Customs) agency to do anything," said Rick Dory, a Treasury Department attorney.

Customs spokesman Mike Flemming said the case is up to Treasury officials in Washington.

The Inspector General's Office is charged with investigating criminal offenses by management level employees at Customs, the IRS, the Secret Service and a variety of other Treasury agencies.

During Cottos' tenure, Treasury's North-east Region has logged 14 felony convictions. The Southern Region has had eight and the Central Division one. Statistics for the office's performance before his tenure were not available because good records were not kept, Cottos said.

In the West, however, things are different.

The inspector general's office was absent last year when the Justice Department launched a corruption investigation among Customs officials in Los Angeles and San Diego, said a source familiar with the investigation.

The unusual move was made at the insistence of witnesses who doubted the effectiveness of the inspector general's office, said the source, who spoke only on the condition of anonymity.

The concern stemmed in part from a 1993 incident in which the inspector general's office tried to investigate allegations that cocaine-laden trucks were crossing the border unimpeded under a Customs program intended to speed the flow of cargo from Mexico.

In that case, inspector general investigators, accompanied by Customs narcotics agents trying to make unannounced inspections of vehicles and records at the Otay Mesa port of entry near San Diego, were denied entrance by Customs officials.

Under orders of Custom's San Diego District Director Rudy Camacho, the investigation team was told to leave, according to several sources who witnessed the incident.

They returned the next week in a visit arranged with Camacho's office, but by then word of the operation had leaked to truckers and import brokers they were targeting, according to a January 1994 memo by the investigators.

"Rudy Camacho ran them out of San Diego," said one veteran inspector familiar with the incident.

Camacho, later promoted to commissioner of Customs' Western region, said he told the investigators to leave because they had, without his authorization, brought Customs inspectors along. He said he had sole authority over Customs inspectors' activities and scheduling.

His office later cooperated fully with the investigators, he said.

Cottos said Treasury agencies often resist his office's attempts to investigate internal wrongdoing.

"People don't want anybody else to come in and do an investigation of them," he said.

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

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

UNANIMOUS-CONSENT
AGREEMENT—H.R. 889

Mr. BROWN. Mr. President, I ask unanimous consent that the Senate now resume consideration of H.R. 889 and the remaining committee amendments to be agreed to en bloc be treated as original text for the purpose of further amendments; that the following amendments be the only remaining amendments in order in the first degree and they be subject to relevant second-degree amendments following a failed motion to table and limited to time agreements where appropriate, with the same time limit applying to any second-degree amendment and that no rule XVI point of order lie against Senator BUMPERS' NASA wind tunnel amendment. Mr. President, this includes the following amendments: The Hutchison endangered species amendment; the Brown Mexico amendment; the Coverdell Georgia flood amendment; Stevens manager's amendment; the Hatfield manager's amendment; the McConnell assistance to Jordan debt amendment; the Specter SOS Korean nuclear agreement amendment; the Roth-Glenn SOS nonproliferation amendment; and the McCain military construction amendment.

Mr. President, in addition, my understanding is the following Democratic amendments are included in this amendment: The Baucus amendment on South Korea trade; the Boxer amendment on military personnel; the Byrd amendment that may be relevant to the subject; a Daschle relevant amendment; a Feinstein environmental cleanup amendment; the Graham Cuba amendment; the Inouye manager's amendment; the Leahy Jones Act amendment; the Nunn amendment to relevant topics; the Wellstone amendment to relative topics; and also the Bumpers amendments in his own name, which we reserved a spot for covering Iran and NASA wind tunnels for his own name as well. That, obviously, is in addition to the one previously reserved, which is a joint Democratic-Republican amendment.

I further ask that following disposition of the above-listed amendments, the bill be advanced to third reading and final passage occur on H.R. 889, as amended, without intervening action or debate.

The PRESIDING OFFICER. Is there objection to this agreement? Without objection, it is so ordered.

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

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. BROWN. 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. BROWN. Mr. President, I ask unanimous consent that when the Senator from Arkansas [Mr. BUMPERS] offers his amendment in reference to wind tunnels, that there be 45 minutes for debate prior to a motion to table, to be limited in the following fashion: 30 minutes under the control of Senator BUMPERS and 15 minutes under the control of Senator STEVENS.

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

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

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

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

EMERGENCY SUPPLEMENTAL AP-
PROPRIATIONS AND RESCIS-
SIONS ACT

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

The bill clerk read as follows:

A bill (H.R. 889) making emergency supplemental appropriations and rescissions to preserve and enhance military readiness for the Department of Defense for the fiscal year ending September 30, 1995, and for other purposes.

The Senate resumed consideration of the bill.

Pending:

Bumpers amendment No. 330, to restrict the obligation or expenditure of funds on the NASA/Russian Cooperative MIR Program.

The PRESIDING OFFICER. The Senator from Arkansas is recognized.

Mr. BUMPERS. Mr. President, is there an amendment pending?

The PRESIDING OFFICER. The pending amendment is amendment No. 330 offered by the Senator from Arkansas.

Mr. BUMPERS. Mr. President, I am prepared to go forward with that amendment. We have worked out a second-degree amendment that was going to be offered either by the Senator from California [Mrs. FEINSTEIN] or the Senator from Missouri [Mr. BOND]. But neither of them is present right now, so I would like to just temporarily lay that amendment aside and, if there is something else we could get to, I would be willing to do it.

Let me ask unanimous consent that the amendment be temporarily laid aside and allow the floor managers to go forward with any other amendments that are pending. And in that request, Mr. President, I am going to state specifically that I am not necessarily asking that this be the pending business after the next amendment is adopted. I will be around here, and I will call the amendment up at some point.

Mr. BURNS. Will the Senator yield?

Mr. BUMPERS. I am happy to yield.

Mr. BURNS. Mr. President, will the Senator from Arkansas want to go to his wind tunnel amendment at this time?

Mr. BUMPERS. Yes, I am prepared to do that.

Let me remind the Senator that Senator MIKULSKI obviously wants to be in the Chamber when that is debated, and I would suggest that we try to contact her to see if she is available. She may be attending a committee hearing or something else and cannot make it right now. But I am prepared to go forward with that amendment.

Mr. BURNS. I think the Senator makes a good point and maybe we should contact those Senators to get them involved. I think they want to be a part of this debate, and we would do that right away. And then maybe the Senator could offer his wind tunnel amendment.

Is there any other amendment that is pending?

Mr. BUMPERS. It is my understanding, Mr. President, that virtually all of these amendments except the wind tunnel amendment have been agreed to. Is that correct?

Mr. BURNS. That is the information I have.

The PRESIDING OFFICER. It is the Presiding Officer's understanding there are some that have not been agreed to.

Mr. BUMPERS. I am sorry, Mr. President; I did not understand the Chair.

The PRESIDING OFFICER. It is the Chair's understanding that not all amendments have been agreed to.

There is pending the Senator's request to lay aside the current amendment. Does the Senator wish to pursue that?

Without objection, it is so ordered.

The Senator from Arkansas is recognized.

Mr. PRYOR. Mr. President, I thank the Chair for recognizing me.

Mr. President, I ask unanimous consent that I may speak not to exceed 12 minutes as if in morning business.

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

(The remarks of Mr. PRYOR pertaining to the introduction of S. 573 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

EMERGENCY SUPPLEMENTAL AP-
PROPRIATIONS AND RESCIS-
SIONS ACT

The Senate continued with the consideration of the bill.

The PRESIDING OFFICER. The Senator from Missouri is recognized.

Mr. BOND. Mr. President, what is the pending business?

The PRESIDING OFFICER. The bill is before the Senate. It is open for debate.

Mr. BUMPERS addressed the Chair.

The PRESIDING OFFICER. The Senator from Arkansas.