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House of Representatives

The House met at 10 a.m. and was called to order by the Speaker pro tempore [Mr. INGLIS of South Carolina].

DESIGNATION OF THE SPEAKER PRO TEMPORE

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

WASHINGTON, DC,
April 6, 1995.

I hereby designate the Honorable BOB INGLIS to act as Speaker pro tempore on this day.

NEWT GINGRICH,
Speaker of the House of Representatives.

PRAYER

The Reverend Tim Bunn, Karcher Church of the Nazarene, Nampa, ID, offered the following prayer:

Father, today we pause to recognize that You are sovereign and there is no other God before You. Lord, we pray that Your will may be done as Your Son requested it may ''* * * on earth as it is in heaven.'' We know that for His prayer to be answered requires our obedience and service to You.

Heavenly Father, I pray specifically for the representatives of the people of the United States of America. Lord, as they represent rich and poor, ghetto and mansion, farm and factory, may their actions be motivated by the desire to serve others.

Theirs, Lord, is a task greater than human wisdom can answer; therefore we call on You recognizing Your sufficiency when our resources are inadequate.

Father, we pray for peace and justice in our homes, our Nation, and our world. We invite You to use us to create it. We pray that You will heal our land where we are damaged and bless our lives with Your presence.

Father, we love You and praise You in the name of Your Son Jesus who suffered in our place. 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. The gentleman from Ohio [Mr. TRAFICANT] will lead the House of Representatives 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.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Lundregan, one of its clerks, announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 244) ''An act to further the goals of the Paperwork Reduction Act to have Federal agencies become more responsible and publicly accountable for reducing the burden of Federal paperwork on the public, and for other purposes.''

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. At this point, the Chair will entertain 20 1-minutes on both sides, starting with the gentleman from Oregon [Mr. BUNN], the sponsor of the guest Chaplain.

WELCOME TO THE REVEREND TIM BUNN

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

Mr. BUNN of Oregon. Mr. Speaker, I want to take this opportunity to welcome and thank my brother, Tim Bunn, who is a pastor from Karcher Church of the Nazarene, who offered our prayer this morning.

As we conclude our 100 days and look forward, we have and will continue to work on legislation that will strengthen families. We also want to encourage the volunteer spirit. We all know that it is not government that fosters or encourages the volunteer spirit or strengthens families, it is the individual.

And my brother Tim is an example of someone who has worked since college in missionary work. He has been a volunteer in disaster relief, and one of the most important things is working as a counselor trying to keep families together, which is really one of the crucial things we are all about.

I just wanted to take the opportunity to thank him for being with us today, to say I am proud he is my brother, and to welcome him to Congress.

PATCH UP THE CONTRACT

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

Mr. GUTIERREZ. Mr. Speaker, over the past 100 days, Mr. GINGRICH has had his fun taking out his hole puncher and putting a few holes in his copy of the Contract With America.

Well, I never saw what the big deal was.

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The way I see it, that contract was already full of holes.

Remember the Republican tax plan or their balanced budget amendment? Right where you thought they would tell you how to pay for it, there was a big, gaping hole.

And they had special kinds of holes for different people.

If you are a working family, trying to raise your kids, there is a sinkhole for your wages to fall into, but if you are looking for a capital gains cut, there is a nice loophole for you.

And you know those blackholes in outer space, those things that stuff gets sucked into and nothing comes out of? It turns out you do not need the Hubble telescope to see them.

Because the Republicans' cuts in home heating assistance for the elderly and child nutrition for the country's babies are a blackhole that is going to pull people into poverty and pain where they will never be heard from again.

So, Mr. Speaker, instead of getting a hole puncher, you should have used something to patch up the holes that were already in your contract from day one.

REPUBLICAN CONTRACT WITH AMERICA

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

Mr. RIGGS. 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 kept our promise; common sense legal reform to end frivolous lawsuits—we kept our promise; welfare reform to encourage work, not dependence—we kept our promise; congressional term limits to make Congress a citizen legislature—we kept our promise; family reinforcement, tax cuts for middle-income families, and the Senior Citizens' Equity Act to allow our seniors to work without Government penalty—we kept our promise.

Mr. Speaker, this is the Republican Contract With America.

IRS AND THE BURDEN OF PROOF

(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, the IRS actually had the gall to tell Congress, ''If you change the burden of proof in a tax case, you will destroy our voluntary-compliance program.'' Right. Some kind of voluntary. Who is kidding whom?

If you do not voluntarily pay your voluntary taxes, the IRS will come in and voluntarily take your parakeet, your beagle, your golf clubs, your wife, your rubber ducky. Beam me up here. Voluntary?

Ladies and gentlemen, are they smoking dope around here or what?

My bill will say you have to substantiate your tax form, but when you go to court, you will be treated like an American citizen, innocent until proven guilty.

Voluntary? My assets.

WHAT ABOUT FOREIGN AID?

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

Mr. FUNDERBURK. Mr. Speaker, the first 100 days of the 104th Congress are over. We passed 9 of the 10 items in the Contract With America. The new majority set our country on a new course. But we did not go far enough. While we are at home for Easter, the Mexican dictatorship and New York City financiers will be raking in billions of American dollars and the lords in the Kremlin will be soaking up foreign aid while their planes ravage Chechnya and their scientists provide the Ayatollahs with nuclear reactors.

Mr. Speaker, we desperately need a reality check. How can we seriously debate the future of student loans and farm programs while the State Department and the World Bank dispense billions of our dollars without the Congress saying one word? The $20 billion handout to Mexico City is 20 times the value of the yearly tobacco crop in North Carolina. Is it not tragic that Bill Clinton and his establishment friends in Congress will drag hard-working tobacco farmers in my district through the wringer and give Mexican thugs and Russian autocrats billions of our money with a wink and a nod?

Mr. Speaker, if last November really was a revolution we had better come back here in May and cut off the foreign aid monster at its knees or the American people will put us out in the street.

TAX FAIRNESS

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

Mr. VOLKMER. Mr. Speaker, Members of the House, today is the 92d day of the imperial speakership.

You know, yesterday afternoon, discussing with one of the Gingrich Republicans about their tax bill, I advised them that I did not plan to vote for that tax bill. I planned to vote against it. He says, ''You must be brave to be able to go back to your district after voting against such a great tax bill.''

Well, in the first place, I said, ''I don't think that is a great tax bill. Second thing, it has no tax fairness in it. It doesn't lead to deficit reduction, but it explodes the deficit in out years.''

I advised that Gingrich Republican I was going to vote for the Gephardt tax bill which limited the $500 child credit to those earning $95,000, not $200,000. You know, in my district, the Ninth District in Missouri, middle income is not $200,000. I do not have very many people earning $200,000. Yet the Gingrich Republican says $200,000 are middle income. They say that corporations should not have to pay any taxes here in the United States.

I say corporations should pay their fair taxes.

I voted for a tax fairness yesterday.

PROUD TO BE A PART OF THE CONTRACT WITH AMERICA

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

Mr. TIAHRT. Mr. Speaker, today is a great day on the Potomac.

This is the Contract With America, and even though a New York newspaper tells us only 38 percent of the people know what the Contract With America is, all of them know what a balanced-budget amendment is, all of them know what a real crime package is that punishes criminals instead of giving them dance lessons, all of them know what welfare reform is, and on down the line including the tax-relief package passed last night that restores hope to people with families, gives them a break, because we believe that people who have children know better how to spend that money on their children than the Federal Government does here in the beltway.

So we are very pleased to be part of this Contract With America, to see all 10 pieces passed as promised. It will be the first Congress to say we are going to do something during a campaign and then actually do it when they get to Washington.

I am very proud to restore hope to the next generation and to this generation, to be a part of this Congress and pass the Contract With America.

CONGRESS MUST BE TOLD WHAT IS IN LEGISLATION

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

Mrs. SCHROEDER. Mr. Speaker, I stand in this well to admit that I was wrong, and I must correct my remarks. I have been here several times protesting the $63 million that we heard Rupert Murdoch got slipped into the bill that was to give relief to middle Americans on their health care coverage. Well, I find out it is not $63 million, it is more like $38 million.

But I am still just as outraged that he would get this $38 million rebate on the backs of the middle class.

I do not know what we can do at the end to correct this. We have introduced bills. We have tried to bring it to the floor, and today I am introducing one more bill that says in the future when this process is used to slip something in that this body never considered nor knew was in there, we must be told. I think it is unbelievable these kinds of games are going on, and I think the American public expects a whole lot more from us.

I think we are here to protect them and not to line the pockets of fat cats.

CLARIFICATION OF THE MURDOCH CONTRACT

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

Mr. LINDER. Mr. Speaker, when such information as you have just heard is presented to the House floor, it needs to be responded to.

The fact of the matter is this: Mr. Murdoch was selling a property to the Tribune Co. headed by Quincy Jones, a black entrepreneur. Mr. Murdoch had two contracts for that property, one to be sold at this amount and one to be sold at another amount if he got a Treasury certificate.

The beneficiary of the Treasury certificate was the Quincy Jones operation, which would have received that property at less than the amount equal to the Treasury certificates. Mr. Murdoch was going to get precisely the same amount whether or not the certificates were ordered.

In the other body, the gentlewoman from Illinois argued that we should open the timeframe for the certificates to be allowed, and she amended the contract to open the timeframe to extend it.

The Senate insisted on her position. The House could not get her to remove her position, and so Quincy Jones is going to be the beneficiary of the $38 million or $65 million, whichever the amount is.

LEFT WANTING BY THE CONTRACT WITH AMERICA

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

Mr. KLINK. Mr. Speaker, let me get this contract correct. If I am a child and I happened to be born to a mother who is of the wrong age or who has been on assistance for too long, then the Contract With America leaves me wanting just because of the circumstances surrounding my birth. If I am a child and my mother would happened to depend on WIC, that money is now going to be block-granted, and 20 percent of it can be used for other things. The same thing for school lunch, if I am dependent upon school lunches, we are now going to have 50 laboratories across this country where people will be able to take as much of that money out, 20 percent of it, and use it for paving highways and for doing all sorts of other things.

If I survive all of that under the Contract With America, Mr. Speaker, let me understand this, if I get to be 14 or 15 years old, and I want to learn the work ethic, I want a summer job, the Contract With America leaves me with no summer job and no opportunity to rebuild my community.

Let me understand that also, Mr. Speaker, that then if I want to go to college and get the same kind of federally backed loans that the Speaker and the majority leader had, now again, I am going to be left wanting by the Contract With America.

□ 1015

GET GOVERNMENT OUT OF MY LIFE

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

Mr. NORWOOD. Mr. Speaker, I ran for this office because I saw a government out of control, I see a Congress who clearly did not understand, and this morning I see additional Members of Congress who do not understand. Like the people of the 10th District of Georgia, I want a government to protect our borders and help maintain order, but otherwise I want government out of my life, out of my business and, most especially out of my pocket.

Mr. Speaker, in these first 100 days, we have made significant steps forward. We have cut Government regulation and cut taxes to return more of the fruits of labor back to workers who earn them. I can tell we are making progress because the liberal Democrats are whining loud and the bureaucrats are running scared.

There is still a long way to go. Balancing the budget will not be easy. But to the people back home, I say we can take back this great Nation of ours from the people who think that government knows best; stay involved; stay with us; we will take this country back.

FURTHER EXPLANATION TO CORRECT THE RECORD

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

Mr. OBEY. Mr. Speaker, I yield to the gentlewoman from Colorado.

Mrs. SCHROEDER. I am very grateful to the gentleman from Wisconsin for yielding.

I want to point out and correct the record again: First of all, it does not pass the straight-face test that one Senator of the minority party could force this entire House to yield to something the House never considered or the conferees on her side. There were 17 of these deals—18 of these deals—and this is the only one that stood. I cannot believe that one Senator has ever had that kind of power.

Second, I want to point out that this $38 million revenue does go back to the sellor. The idea of this was to give the sellors benefits if they sold to minority owners. And the idea has been, we all were going to do away with those, going to do away with all of those.

We found we did away with all of them except the one, and that owner happens to be Rupert Murdoch. He gets the benefit of this.

So let us make the record perfectly clear.

I thank the gentleman for yielding.

INTRODUCTION OF PROSTATE CANCER DIAGNOSIS AND TREATMENT ACT OF 1995

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

Mr. FIELDS of Texas. Mr. Speaker, today I am introducing the Prostate Cancer Diagnosis and Treatment Act of 1995 in the hopes that we will finally do something to effectively battle prostate cancer. Prostate cancer is one of the deadliest forms of cancer for men—and yet, as men, we seem almost afraid to talk about it. More than 215,000 American men will be diagnosed with prostate cancer this year and more than 40,000 men will die from it. It is the most common form of cancer among men and the second leading cancer killer.

If you look around this Chamber—about every third male over age 50 probably already has prostate cancer in some form and does not know it; roughly one-quarter of those who are stricken, will get a life-threatening form of the disease. Most people find out about their prostate cancer too late, even though the cancer can be detected with a simple, inexpensive blood test—the P.S.A. test. This test is the most effective cancer screening marker there is; it can spot prostate cancer accurately 5 years or more before it presents a serious health problem. The American Cancer Society and several other groups recommend that everyone over age 50 get this test once a year, and General Schwarzkopf, a man who has undergone prostate surgery, said the test saved his life. Nevertheless, Medicare and veterans' health programs do not pay for this, so most of the 13 million Medicare men and a few million older veterans are not getting the care they need for early detection. My bill would fix that hole.

Finally, the budget for prostate cancer research is a pittance compared to what we are spending on other cancer research. Studies needed to identify the most effective treatment are either not being done, or will not be completed for several years. My bill would

increase the research effort by diverting more research dollars to prostate cancer.

We must end the public embarrassment about a disease that has already taken the lives of several of our colleagues and that will affect many more of us in the future. We need to make men more aware of what this disease can do and what they must do to protect themselves. I believe my bill can help point us in the right direction, and I urge my colleagues to cosponsor this legislation.

PROPOSED CUTS TO STUDENT FINANCIAL AID

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

Mr. BALDACCI. Mr. Speaker, I am deeply concerned about the cuts to student financial aid that have been proposed by our Republican colleagues. It would seem that I am not alone in my concerns.

I have received letters from hundreds of Maine college students and their families. Each letter tells a poignant story of what Federal financial aid means to that family.

One student wrote to tell me that he was the first person in his family to go to college. His parents work hard, but the family still struggles to make ends meet. He dreams of finishing his bachelor's degree, perhaps going on to obtain further education, and then securing a well-paying job so that he can support himself and help his parents out.

But without Federal financial aid, he will not be able to even finish his undergraduate studies.

In our zeal to provide tax cuts for the well-off, we must not forget about those who will come next. We must continue to ensure that bright, motivated, hard-working young Americans have the opportunity to better themselves through higher education. We must continue to invest in the future of our Nation by continuing to provide student financial aid.

THE CONSEQUENCES OF BIGGER GOVERNMENT

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

Mr. HAYWORTH. Mr. Speaker, for the last generation the governing principle here in Washington, especially here in the Congress, was always, above all, make government bigger. We now see the consequences of this ridiculous principle, almost $5 trillion national debt, bloated, inefficient government, failed welfare state, obsessive regulation, and some of the highest taxes in history.

Mr. Speaker, the liberal Democrat leadership claims that we Republicans misread the message of last November. They claim Americans really do not want a tax cut, they do not want term limits, they really do not want to balance the budget. But, Mr. Speaker, it is the liberal Democrats who have misread the message of last November, because, you see, the Contract With America is not about Republicans, it is about the American people. The American people want an end to the out-of-control growth of a Federal Government, they want safer neighborhoods, they want lower taxes, they want a secure future for their children. That is what our contract is all about.

It is not really all that complicated. The new governing principle in this Nation is not what benefits the Government but what benefits the American people.

THE DEFICIT EXPLOSION ACT

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

Mr. DOGGETT. Mr. Speaker, on the path to approve the Deficit Explosion Act last night, otherwise known as the campaign tax cut bill, the Gingrichites hit a roadblock. How they dealt with that roadblock was significant implications for the future of this Congress and this country.

You will recall that on day one a rule was approved here requiring a three-fifths' vote for a tax hike. In all the talk of capital gains tax reduction yesterday, overlooked was the fact that the capital gains taxes were actually raised from 14 percent to 19 percent for many small companies in this country.

How was that dealt with when it came time to apply the three-fifths' vote requirement? It was dodged, it was hedged. Instead they turned to the captive consultants of the Joint Tax Committee, who told us that we did not need a three-fifths vote because the basis for this conclusion relates generally to the fact that this provision would be inoperative as it relates to current law after the enactment of the pending legislation.

Meaningless gobbledygook. If you strike a provision in one place and add another, it is not a tax increase? Well, taxpayer protection bit the dust last night.

CONTRACT WITH AMERICA: WE KEPT OUR PROMISE

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

Mr. SAXTON. Mr. Speaker, it is simple; 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 kept our promise; commonsense legal reform to end frivolous lawsuits—we kept our promise; welfare reform to encourage work, not dependence—we kept our promise; congressional term limits to make Congress a citizen legislature—we kept our pomise.

And finally, the Contract With America Tax Fairness and Deficit Reduction Act, including tax cuts for middle-income families, and the Senior Citizens' Equity Act to allow our seniors to work without Government penalty—we kept our promise.

This is the Contract With America.

WE SHOULD NOT IGNORE OUR OWN RULES

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

Mr. JOHNSTON of Florida. Mr. Speaker, I was very disappointed that we undermined our own rules and procedures to assure the passage of the tax bill. As my colleagues know, and as it was explained just now by the gentleman from Texas [Mr. DOGGETT] there was a substantial increase. In 20 years in the State legislature and in Congress, I have never voted against the ruling of the Chair. In fact earlier this year I supported Speaker GINGRICH in the resolution on Mexico against my own colleague, the gentleman from Mississippi [Mr. TAYLOR]. But in this instance I was forced to vote against the Chair.

While I sincerely compliment the gentleman from California who chaired during this and was very fair-minded throughout, I do fault those Members who advised him from the floor to totally ignore our rules which were only 3 months ago adopted.

Our rules are the glue that hold this body together under the best and most adverse conditions. If we ignore them intentionally, we not only act with intellectual dishonesty but we invite anarchy.

ITEMS CONTAINED IN THE MINORITY LEADER'S MOTION TO RECOMMIT

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

Mr. HOKE. Mr. Speaker, last night when the minority leader presented his

motion to the House to recommit, he said the following, and I quote:

This motion to recommit is very simple. It does four simple things.

When I read the 16-page motion, I found out it included more like 40 than 4 changes. For example, it eliminates the marriage penalty, it eliminates the American dream savings account, it eliminates the spousal IRA. It eliminates the child tax credit completely in the first year and then reduces it to $100. It changes it from a $200,000 ceiling to a $60,000 ceiling which was called $95,000.

It eliminates the tax on Social Security benefits, the tax preference for long-term insurance, the accelerated death benefits and long-term care benefits, it eliminates the capital gains tax reduction, it eliminates the neutral cost recovery provisions, it eliminates the repeal of the alternative minimum tax, it eliminates the increase in the social security earnings test.

My question to the minority leader is I would like to give him the opportunity to explain why, what the disconnect is here when we were told this was a 4-point change when in fact it really completely and totally changed the bill.

WGOP RADIO

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

Ms. DELAURO. Mr. Speaker, it's nothing new for politicians to use the power of radio to send a message, but it appears that Republicans in this body are hoping to start their own station. WGOP radio—playing all the greatest hits from the 1980's, 24 hours a day.

For the last 100 days we have been listening to the Republican Party's greatest hits compilation, entitled the ''Contract With America.'' It includes an array of golden oldies from the grand ole party. Among the easy listening favorites are the crowd pleasing, tax-cut fever, the cold war favorite, the theme from Star Wars. And, finally, that fairy tale put to music, puff the magic budget.

Tax cuts for the wealthy, runaway military spending, and empty promises for a balanced budget—these familiar tunes have been playing 'round the clock on WGOP.

Mr. Speaker, Republicans are hoping to find a new audience for these old songs, but the American people do not think that skyrocketing deficits and tax breaks for the wealthy and billionaires being able to renounce there citizenship so they can get a tax evasion, they do not think these are anything to sing about. And, Mr. Speaker, they are going to change the station.

REPUBLICANS' PLEDGE TO THE AMERICAN PEOPLE: PROMISES MADE, PROMISES KEPT

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

Mr. CHRISTENSEN. Mr. Speaker, last September 27, Republican incumbents and candidates stood on the Capitol steps and made a pledge to the American people. We promised to bring to the floor legislation that had been blocked by the Democrat-controlled Congress for years. Congressional reform, welfare reform, tax breaks, term limits, regulatory reform, legal reform.

Mr. Speaker, I stand here today to say that we kept our promise. A new day has dawned in America. We have proved to the people that politicians can keep a promise. The Republican majority is working hard to recapture the long-lost trust the American people used to have in their elected officials. And I am proud to be a part of this healing process.

Mr. Speaker, it is as simple as this—promises made, promises kept. This is what the Republicans are all about.

WEALTHY AMERICANS GAIN MORE THAN THEY PAY

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

Mr. KEVIN. Mr. Speaker, a central issue yesterday was what is the impact of the bill on various income groupings. The gentleman who heads the Committee on Ways and Means yesterday said that wealthy Americans will pay a slightly higher portion of the Nation's total tax bill.

True. But that is because 1 percent of all taxpayers will have an income increase in the year 2000 of $47 billion if this bill ever was enacted.

□ 1030

So their share of taxes goes up slightly because their share of wealth goes up tremendously.

I now just want to say a word about ethnic slurs in this country. A slur on any part of America is a slur on all of America. People should not be excused for outrageous statements because they are outrageous on many other occasions. A gentleman in the other body owes everyone in America an apology.

LAST NIGHT'S MOTION TO RECOMMIT WAS DECEPTIVE

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

Mr. CASTLE. Mr. Speaker, I would like to follow up on the gentleman from Ohio [Mr. HOKE] with respect to the motion to recommit last night. This was presented, it is a 10-minute debate, then we vote on it, and that could become part of the legislation. It was presented in such a way that it was very appealing to some of us who had some concerns about certain aspects of the tax bill. We found out in the middle of all this that it was 16 pages. We went over, and we researched it, and in a short period of time we learned exactly what the gentleman from Ohio has represented here today, and that is that it basically gutted all aspects of the tax bill. It did much more than the four things which were on the placard here. I do not know why this happened in this particular way; that is to be answered some other day in some other way.

But the bottom line was it was a deceptive approach to how that motion to recommit was handled. Maybe we have problems with motions to recommit, maybe they need to be filed sooner, maybe we need to have a longer time in order to digest them, but certainly we should not be in a situation in which deception is being practiced in this building.

I put into the RECORD last night in a 5-minute appearance all the mistakes that were presented on the floor and the correct version of what was actually in that 16-page motion to recommit. From now on I hope we can pay more attention to this particular problem.

REPUBLICANS' CONTRACT IS DAMAGING AMERICA

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

Mr. GEJDENSON. Mr. Speaker, the Republican contract may have good titles, but it is bad policy. Its policy is just too extreme for America. What we end up doing is cutting taxes for the top 1 percent while we take away educational opportunity for average and middle class kids.

What does that do to this country? It does not just hurt the children. It hurts the future of our country and its competitiveness. What do they try to do on drug treatment during the crime bill? A great title; they cut the funding for drug rehabilitation.

The Republican contract is too extreme. Its impact on the deficit is that it will explode it. Its impact on the economy of the country is that it will retard it, it will leave us less competitive as a nation, it will increase unemployment and, in the end, further add to the deficit.

Mr. Speaker, maybe we have got great rhetoric on the Republican side and good titles, but it is bad policy, it is too extreme, and it is damaging America.

THE REPUBLICAN MAJORITY HAS KEPT ITS PROMISES

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

Mr. LONGLEY. Mr. Speaker, the bitter defenders of the old order have spent a lot of time complaining, even whining, about the legislation in our Contract With America. But they seem to have forgotten that since January 4, our legislation has continuously received bipartisan support—in fact, the average vote for contract legislation in the House has been 332 to 96. On an average, over 100 Democrats have voted ''yes'' on the Contract With America.

Mr. Speaker, I have faith that the American people are going to look past all the distortions and rhetoric and see that the Republican majority has kept the promises we made, and we will continue to work hard to change Washington—to make the Federal Government smaller, less costly, less intrusive, and more efficient for the American people. It truly is a new day here in Washington, DC.

IS THEIR CONTRACT GOOD FOR AMERICA? NO

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

Mr. WILLIAMS. Mr. Speaker, my colleagues, I think the Republicans indeed do deserve recognition. They said they would bring the contract to the floor of this House and attempt to pass it, and indeed they did, and I think that the Democrats and Americans have to recognize them for that. But the real question for all Americans is:

''What's in the contract? What did they pass?''

Mr. Speaker, I think much of what was in the contract is, by definition, extremism. For example, one element to the contract which passed this House with Republican votes allows the Government to break down our doors, search our homes without a search warrant. One element of the contract allows illegal immigrants who commit crimes in this country and are convicted of a felony not to go to prison in America, but to be sent back home to their own country, presumably so they can reenter illegally here.

Mr. Speaker, last night we passed another element of the contract which takes America back to trickle-down economics, a pittance for middle-income people, huge tax breaks for the wealthy.

Did they pass he contract?

Yes.

Is he contract good for America?

No, it is extremism.

CONTRACT AND TAXES

(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, yesterday the Republican Party passed the last hurdle in the Contract With America by passing our tax reduction package.

We provide families a $500 per child tax credit, we slash the capital gains tax rate, repeal the Clinton tax increase on Social Security benefits, double an investment deduction for small businesses, provide a tax credit to families who adopt children, and create the American dream savings account to encourage saving.

In the last 92 days we kept our word with the American people. We changed Washington and we have worked hard to preserve the American Dream for America's children. The contract is only the first step, however, toward moving power and money out of Washington and returning it to the people. Henry Ford said that, ''What's right about America is that although we have a mess of problems, we have great capacity—intellectual and resources—to do something about them.''

I am proud to say that this new Congress is changing America and helping to restore its greatness.

REPUBLICAN EXTREMISTS HAVE GONE TOO FAR

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

Mr. BROWN of Ohio. Mr. Speaker, the last 2 weeks have seen the most disturbing developments of the Republican Contract on America, the worst example of Republican extremists simply going too far. Thirty-five million dollars in tax breaks for Australian-born Rupert Murdoch, $3.6 billion for American billionaires that have renounced their citizenship, $3.6 billion in tax cuts, tax cuts for people making $200,000 a year and calling them middle class taxpayers, and the elimination of a major corporate tax, all at the same time while cutting school lunches for America's school children, while cutting student loans for America's middle class families, while cutting the Summer Jobs Program.

Let me make sure I understand this. We have Rupert Murdoch, a billionaire from Australia, becoming an American citizen so he can buy Fox network, buy a big book publishing house and negotiate book deals with American politicians. Then we have a bunch of American billionaires renouncing their U.S. citizenship so they can get a tax break,

Mr. Speaker, in the last 3 months Republican extremists have gone too far.

H.R. 1258 TO ENHANCE SMALL BUSINESS OPPORTUNITIES

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

Mr. FLAKE. Last week, Mr. Speaker, I introduced legislation to enhance funding opportunities to America's small businesses. H.R. 1258, the Small Business Capital Access Act of 1995, is designed to raise the lending cap from $500,000 to $750,000 for the Small Business Administration's [SBA] 7(a) Loan Program. H.R. 1258, with significant support from lending institutions, accomplishes the goal of raising the lending limits of the program without further Federal expenditure.

Mr. Speaker, raising the lending limits of the 7(a) Program, the Federal Government is demonstrating its commitment to fostering small business growth by enabling them to more easily overcome startup impediments. These impediments are often a result of undercapitalization. The $250,000 increase is accomplished without greater financial exposure to the taxpayer. This is made possible by lowering the Federal subsidy to lenders who participate in the SBA program and reprogramming those funds to guarantee a significant portion of those higher-capped loans. The SBA currently extends a 2.74-percent subsidy for 7(a) loans in fiscal year 1995. My proposal lowers the subsidy to 1.65-percent, thereby allowing more funds to actually guarantee 7(a) loans.

Mr. Speaker, I urge all of my colleagues to please join with me in supporting H.R. 1258 so we can rebuild America through the small business sector.

LAST NIGHT'S TAX-CUT BILL CUTS $5 BILLION FROM CRIME TRUST FUND

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

Mr. STUPAK. Mr. Speaker, even though I am a Democrat, I must say congratulations to my friends, the Republicans on this side of the aisle, for passing a Contract on America. They showed a lot of discipline in doing so, I say, ''Congratulations,'' but, being a former police officer, as I was for 13 years, I say, ''I admire the discipline you showed on the contract, but please use that discipline when you now try to pay for your contract.''

As my colleagues know, the tax cut bill that was passed last night, in there they took $5 billion from the crime trust fund to start paying for these cuts. That $30 billion in the crime trust fund is going to pay for more prisons, is going to pay for local grants back to our districts.

I say to my colleagues, ''You've already reneged on your first promise. You've cut $5 billion out of the crime trust fund to start paying for this new tax bill that you put forth, so what I ask you to do in your disciplined ways is quit spending the same money over, and over, and over again. Don't go back to your good old days of spend, spend, spend without the money being there.''

So, again, congratulations, but let us be cautious on how we are spending that money three times over.

ABOUT LAST NIGHT

(Mr. LEWIS of Georgia asked and was given permission to address the House

for 1 minute and to revise and extend his remarks.)

Mr. LEWIS of Georgia. Mr. Speaker, NEWT GINGRICH put the crown jewel on his contract last night. And if you earn over $200,000 a year, it is a crown jewel indeed. But if you earn $20,000 or $30,000 or $40,000 a year, you were sold fool's gold—costume jewelery.

Under the Republican plan passed under the cover of darkness, if you earn $200,000 a year you will get a tax break of over $11,000. Those earning over $350,000 will get $20,000—more than some working families earn in a year.

But if you earn $20,000 or $30,000 you will get a meager $25 a month. You can see why NEWT GINGRICH calls this plan a jewel—it is precious to the rich.

The Republicans say they can cut taxes without increasing the deficit. We tried that once before in the 1980's. We are still trying to dig, our way out of the huge record deficits it created.

Mr. Speaker, the Republicans are robbing poor Peter to pay Paul. The American people know better. For shame, Mr. Speaker, for shame.

THE BEST TIME TO CUT TAXES

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

Mr. HANCOCK. Mr. Speaker, as my colleagues know, we keep talking about what we tried in 1980–81 to cut taxes. Only difference is we got a Republican Congress now that is going to cut the spending, too, so that will take care of that.

As my colleagues know, the argument over the last several days has been that there is not a good time to cut taxes. Every place we hear this is not a good time to cut taxes. We got full employment, practically full employment, we have got the production facilities in the United States operating at capacity; now is not a good time to cut taxes.

I am going to ask the question of the other side of the aisle over here, ''When is a good time to cut taxes?''

Mr. Speaker, I say to my colleagues, ''Now you can't cut taxes when the economy is down; that is true, as my colleagues know, because we got to pump it up, we have got to take tax money and generate the economy.'' So they are also saying that it is not a good time to cut taxes when the economy is doing well. So my question is:

''When is a good time to cut taxes?''

I can tell my colleagues when it is. Down in southwest Missouri, down in the hill country, we used to be a major apple producing area. At that time the question was when was the best time to prune the trees. I tell my colleagues, ''The best time to prune the trees is when you got a sharp knife. The best time to cut taxes is whenever you can get it done.''

SUMMER YOUTH EMPLOYMENT PROGRAM

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

Mr. OWENS. Mr. Speaker, I am disappointed that the Senate has not restored the Summer Youth Employment Program in the rescissions package. The rescissions package zeroed out the Summer Youth Employment Program, a very vitally needed program across the Nation in both rural and urban communities. Thirty-two thousand youngsters, teenagers, were employed last summer in the New York City Summer Youth Program.

□ 1045

I am disappointed in the Senate, but I am shocked at the rumor I hear that the President will support this package and not veto it. If the President does not veto this package, it is an abandonment of the youth in our cities. We are going to restore money for national service. At the same time, you are going to leave the zero out for the Summer Youth Employment Program. That is unfair to any national service components that are going to go into our cities. To go into our cities and not have the youth there employed when they get there, they are going to find a hostile environment, I assure you.

I appeal to the President. He should demand the restoration of the Summer Youth Employment Program or veto the bill. Please do not abandoned the poorest teenagers in America.

TAX CUT IS A MIDDLE INCOME, WORKING AMERICAN, JOB CREATION PROGRAM

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

Mr. DREIER. Mr. Speaker, over the past several weeks through this debate on taxes we have been listening to little more than class warfare, the ''us versus them'' mentality, pitting one segment of society against another. When one looks closely at what we call the crown jewel, there should be a realization that those people who are in the upper 10 percent of wage earners in this country actually shoulder 60 percent of the Federal tax burden. We also should recognize that the tax cut that is going to take place is much greater for those earning between $30,000 and $75,000 a year. It is actually 4.4 percent. Those who are earning over $200,000 a year get only a 2.9-percent cut. And the $500 per child tax credit, 90 percent of that will be going to families with incomes of less than $100,000 a year.

We need to realize that this is a program for middle income, working families, and it has some incentives to create more job opportunities for those who are struggling to find greater opportunity. Remember, 4.7 million Americans are completely taken off the tax rolls because of that $500 per child tax credit.

APOLOGY DUE AMERICANS OF JAPANESE ANCESTRY

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

Mr. ABERCROMBIE. Mr. Speaker, 50 years ago this year Senator DANIEL INOUYE was fighting to liberate Italy from Nazi oppression. He lost his arm and almost his life, as did many other American soldiers of Japanese ancestry.

What a savage irony it is that Senator INOUYE and other veterans of the 442d and the 100th Battalions have to listen to the kind of mockery that was displayed on the 50th anniversary of the defeat of nazism by Senator ALFONSE D'AMATO.

I trust that Senator D'AMATO will display some sense of shame. I would like to believe it was an anomaly, that it was something that was spontaneous and not well thought out. I would like to think that Senator D'AMATO would have the common courtesy, as well as a sense of shame, to let Senator INOUYE and all Americans of Japanese ancestry know that he apologizes.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. INGLIS of South Carolina). The Chair would remind Members that references to the other body and individuals in the other body should be avoided.

INTRODUCTION OF BLACKSTONE RIVER VALLEY NATIONAL HERITAGE CORRIDOR ACT OF 1995

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

Mr. NEAL of Massachusetts. Mr. Speaker, today I am joining my colleagues, Mr. BLUTE, Mr. PATRICK KENNEDY and Mr. REED, in introducing a bill that would revise the boundaries and extend the life of the Blackstone River Valley National Heritage Corridor in Massachusetts and Rhode Island.

This region, which is the birthplace of the American Industrial Revolution, was established by Congress as a national heritage area in 1986 and has proven to be a successful Federal investment. This legislation will build upon the outstanding record of historic preservation and tourism development that the Blackstone Valley has enjoyed during the past 10 years.

Expanding the boundaries of the corridor to include Worcester, MA, New England's second largest city, and four other communities will enhance the opportunities for the Corridor Commission to solicit funds from private

groups to accompany those provided by the Federal Government. This partnership between the public and private sector will serve as a model for our country, by preserving a region without draining the public's pocketbook.

I am proud to join with my colleagues from the region in this bipartisan effort to preserve the Blackstone River Valley. Working together we can help to ensure that this area, which is so rich in history, will be around for future generations to experience and enjoy.

COMMUNICATION FROM THE HONORABLE BOB FRANKS, MEMBER OF CONGRESS FROM THE STATE OF NEW JERSEY

The SPEAKER pro tempore laid before the House the following communications from the Honorable BOB FRANKS, a Member of Congress from the State of New Jersey:

APRIL 5, 1995.

Hon. NEWT GINGRICH,
Speaker, U.S. House of Representatives, Washington, DC.

DEAR MR. SPEAKER: This is to formally notify you pursuant to Rule L (50) of the Rules of the House that my office has received a subpoena issued by the Municipal Court of Manville, New Jersey.

After consultation with the General Counsel, I have determined that compliance with the subpoena is not consistent with the privileges and precedents of the House.

Sincerely,

BOB FRANKS,
Congressman.

CONFERENCE REPORT ON H.R. 889, EMERGENCY SUPPLEMENTAL APPROPRIATIONS AND RESCISSIONS FOR FISCAL YEAR 1995

Mr. DREIER. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 129 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES 129

Resolved, That upon adoption of this resolution it shall be in order to consider the conference report to accompany the bill (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, and for other purposes. All points of order against the conference report and against its consideration are waived. The conference report shall be considered as read.

The SPEAKER pro tempore. The gentleman from California [Mr. DREIER] is recognized for 1 hour.

Mr. DREIER. Mr. Speaker, for purposes of debate only, I yield the customary 30 minutes to my very good friend, the gentleman from Woodland Hills, CA [Mr. BEILENSON], and, pending that, I yield myself such time as I may consume. All time yielded is for the purpose of debate only.

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

Mr. DREIER. Mr. Speaker, this rule responds to a national emergency in defense readiness and training. The rule makes in order for consideration the conference report to accompany the bill 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.

The rule waives all points of order against the conference report and its consideration, and the conference report is to be considered as read.

The conference report requires a waiver of the 3-day layover rule. This rule is being waived in order to permit the House to consider this very vital measure as quickly as possible. The Secretary of Defense recommended that this bill be completed by March 31, 1995, and since we failed to do that, we are trying to move as expeditiously as possible to get this done.

Mr. Speaker, yesterday was an historic day in the House of Representatives. The new majority completed the final legislation outlined in our Contract With America. The new majority proved that Congress is finally led by legislators that keep their promises and live up the commitments that they make. The new majority proved that they value families ahead of Government, cutting taxes and ensuring that every dollar returned to the people that earned it comes from reduced Government spending, rather than adding to the deficit. And the new majority made the Washington establishment lash out in anger because we are doing something totally new: cutting taxes, reducing government, and cutting the deficit.

People take note of major accomplishments, Mr. Speaker. They measure Congress by high profile legislation, like the tax relief deficit reduction bill that we passed late last night. However, I believe that it is in the more mundane legislative accomplishments that we can really measure the difference in the House of Representatives between this year and past years. When I use the term ''mundane,'' I do not mean in any way to criticize my very dear friend, the chairman of the Committee on Appropriations.

The conference report on this emergency defense supplemental appropriations bill is proof that we are making a real difference, changing the long-ingrained culture of deficit spending in Congress. For years those of us on this side of the aisle have said that we are committed to fiscal responsibility, that the Federal Government must live within its means. However, I can understand how people would want to see some results before they actually are sure that that is the case.

The Contract With America proved that we keep our promises, and this conference report begins to establish the real record of fiscal responsibility American taxpayers have demanded.

Our $4.7 trillion national debt is so massive it is almost incomprehensive. How did we get there? You can probably get as many reasons as there are Members of Congress. But I know that one reason is that in the past the standard operating procedure for this House, dealing with emergency spending, is to simply add to the deficit.

Well, Mr. Speaker, that era has come to an end. Things have changed. The new leadership has said that we will find offsetting cuts for all supplemental spending. While the big spenders said it could not be done with a $1.5 trillion Federal budget, it can. We are doing it here, and we will do it again with a disaster relief supplemental appropriations bill. In fact, it is now the only way for us to meet emergencies.

Make no mistake, H.R. 889 makes supplemental appropriations of a truly emergency nature. It provides $3.04 billion in readiness funds. Those defense funds are offset with $2.5 billion in defense rescissions, $775 million in nondefense rescissions, and $142 million in foreign assistance rescissions.

Two months ago some said that the House's original nondefense rescissions were going nowhere. They said the Senate would not even consider them. I would note, Mr. Speaker, that instead of failure, the House got much of what it wanted, and this bill cuts $746 million more than it spends. In other words, we are again doing the people's business and making a down payment on balancing the budget.

Mr. Speaker, the real changes in Congress are at least as evident when we send a bill like this to the President as when we cut taxes and cut spending to pay for it. I urge all of my colleagues to support this very fair rule and permit the House to consider this conference report. There is a critical national security need that must be met, and H.R. 889 meets it.

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

Mr. BEILENSON. Mr. Speaker, I thank the gentleman from California for yielding to me. I yield myself such time as I may consume.

Mr. Speaker, over the past few years this country has called on the men and women of our armed services to perform duties ranging from humanitarian assistance in Somalia to all out war in Iraq. These duties were performed superbly and with honor. There is not one of us here today who can feel anything but pride for the job our Armed Forces have done in Africa, the Middle East, the Balkans, or in the Caribbean.

I would like to commend the conferees for their work with regard to the defense side of the conference report. While the increases in defense spending are not fully offset by direct defense cuts, this bill is certainly an improvement over the bill which the House sent to conference just a few weeks ago.

The bill still relies on some nondefense cuts to offset the additional defense spending. Those offsets include cuts of $200 million from environmental cleanup at the Department of Energy sites and $142 million in foreign assistance, as well as major cuts in the technology reinvestment program, the defense conversion grants that have been so important to companies in areas that have experienced significant losses of defense and aerospace jobs.

We would like to raise some additional concerns with a number of other domestic rescissions in the conference report which are not needed to offset defense spending. A few examples of those cuts are $35 million for student loans under the Pell Grant Program, $200 million for training and employment services, and $200 million for clean coal technology.

Also, Mr. Speaker, the conference report effectively places a hold on any endangered species listing and critical habitat designations for the remainder of the year. We believe that the authorizing committee and not the Committee on Appropriations is the proper place to address this far-reaching and very critical issue.

Finally, Mr. Speaker, the rules does not allow separate votes on any of the amendments in disagreement. The conference report contains items which the House has not had the opportunity to consider before today, and we believe, Mr. Speaker, that it is only fair that some of these issues be voted on separately.

Mr. Speaker, even though we have many reservations about the conference report, we support the rule because it is absolutely necessary that we have this bill on the President's desk as soon as possible.

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

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

Mr. DREIER. Mr. Speaker, I would simply urge support of this very important first step toward dealing with the deficit, and at the same time dealing with emergency spending, and again I have to apologize not only to the chairman of the Committee on Appropriations for in any way leading one to believe that this might be a mundane measure, but also the chairman of the Subcommittee on Defense Appropriations, Mr. YOUNG, who has now joined us, and say that I believe this is extraordinarily important. I hope we can immediately report out this rule.

Mr. Speaker, I yield back the balance of my time, and I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

□ 1100

Mr. LIVINGSTON. Mr. Speaker, pursuant to House Resolution 129, I call up the conference report on the bill (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, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER pro tempore (Mr. INGLIS of South Carolina). Pursuant to House Resolution 129, the conference report is considered as having been read.

(For conference report and statement, see proceedings of the House of Wednesday, April 5, 1995, at page H4319.)

The SPEAKER pro tempore. The gentleman from Louisiana [Mr. LIVINGSTON] will be recognized for 30 minutes, and the gentleman from Wisconsin [Mr. OBEY] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Louisiana [Mr. LIVINGSTON].

GENERAL LEAVE

Mr. LIVINGSTON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the conference report to accompany H.R. 889, and that I may include tabular and extraneous material.

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

There was not objection.

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

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

Mr. LIVINGSTON. Mr. Speaker, I am very pleased to bring to the House what I believe to be an extraordinary—and I say to the gentleman from the Rules Committee [Mr. DREIER], nonmundane conference report to accompany H.R. 889, making emergency supplemental appropriations for the Department of Defense and rescinding additional budget authority.

We need to adopt the conference report so that we can respond quickly to what we all acknowledge is an emergency in funding readiness operations.

First, I want to acknowledge the valiant efforts of the distinguished chairman of the Subcommittee on National Security, the gentleman from Florida, [Mr. YOUNG] and all of the members of that subcommittee, as well as all of the subcommittee chairmen who participated in the conference. They have worked diligently, along with the Members of the other body, to confect this conference agreement and have it ready today before the recess begins.

It was not an easy conference, but I think that everyone worked so hard that we ended up with an extremely valuable product which will not only provide needed assistance and support to the young men and women in uniform in our armed services but ultimately will maintain the national security of this country.

Mr. Speaker, this bill contains $3,041,700,000 in new budget authority for the Department of Defense. All of this budget authority is paid for, mostly from other less critical defense programs. We offset $2,259,956,000 from the Defense Department. We provide $442,014,000 in offsets from defense-related sources, including foreign operations, nuclear facility cleanup, and military construction activities. Also, we include burden-sharing receipts totaling $360 million that provide additional offsets. In total, we have provided a net reduction in defense and defense-related activities of $20,870,000.

The bill also provides other cuts totaling $775,067,000 in nondefense budget rescissions., Taken in total, the bill provides a net budget authority reduction of $746,067,000. Let me repeat that. This bill has a net budget authority reduction of $746 million plus.

I will include for the RECORD a table detailing these specific reductions.

Mr. Speaker, we had a difficult conference on what I had hoped would be a not-too-difficult bill. But I would ask that the Members consider the following points as they consider this conference report:

The bill is more than offset in budget authority, as I have indicated, by nearly three-quarters of $1 billion.

It meets Secretary of Defense Perry's needs to replenish readiness accounts depleted by humanitarian peacekeeping operations.

It also carries the emergency designation for funding that Secretary Perry has requested. And it makes a modest contribution to our readiness needs.

Mr. Speaker, in addition to the appropriations mentioned, the agreement includes language requiring the Secretary of the Treasury to submit reports to the Congress each month concerning our loans and our currency agreements with Mexico.

It also requires that certifications be made by the President to the Congress on that very important issue.

Mr. Speaker, time is of the essence in passing this measure. We need to have this bill clear Congress before we leave for the recess to avoid a major disruption in our readiness activities. Democrats and Republicans alike have worked hard in a bipartisan, bicameral spirit to approve this conference report in time for our departure. I urge all Members to vote for this agreement.

At this point in the RECORD I would also like to insert a table reflecting the details of the conference. It is a very important conference report. Again, I urge its adoption.

FY 1995 EMERGENCY SUPPLEMENTAL APPROPRIATIONS BILL (H.R. 889)

Doc No.		Supplemental Request	House	Senate	Conference	Conference compared with House	Conference compared with Senate
	TITLE I						
	SUPPLEMENTAL APPROPRIATIONS						
	CHAPTER I						
	PART I						
	DEPARTMENT OF DEFENSE - MILITARY						
	Military Personnel						
104-4	Military Personnel, Army	69,300,000	69,300,000	35,400,000	260,700,000	+191,400,000	+225,300,000
104-4	Military Personnel, Navy	49,500,000	49,500,000	49,500,000	183,100,000	+133,600,000	+133,600,000
104-4	Military Personnel, Marine Corps	10,400,000	10,400,000	10,400,000	25,200,000	+14,800,000	+14,800,000
104-4	Military Personnel, Air Force	71,700,000	71,700,000	37,400,000	207,100,000	+135,400,000	+169,700,000
.....	Reserve Personnel, Army	.....	.....	.....	6,500,000	+6,500,000	+6,500,000
104-4	Reserve Personnel, Navy	4,600,000	4,600,000	4,600,000	9,600,000	+5,000,000	+5,000,000
.....	Reserve Personnel, Marine Corps	.....	.....	.....	1,300,000	+1,300,000	+1,300,000
.....	Reserve Personnel, Air Force	.....	.....	.....	2,800,000	+2,800,000	+2,800,000
.....	National Guard Personnel, Army	.....	.....	.....	11,000,000	+11,000,000	+11,000,000
.....	National Guard Personnel, Air Force	.....	.....	.....	5,000,000	+5,000,000	+5,000,000
	Total, Military Personnel	205,500,000	205,500,000	137,300,000	712,300,000	+506,800,000	+575,000,000
	Operation and Maintenance						
104-4	Operation and Maintenance, Army	958,600,000	958,600,000	636,900,000	936,600,000	-22,000,000	+299,700,000
104-4	Operation and Maintenance, Navy	347,600,000	347,600,000	284,100,000	423,700,000	+76,100,000	+139,600,000
104-4	Operation and Maintenance, Marine Corps	38,000,000	38,000,000	27,700,000	33,500,000	-4,500,000	+5,800,000
104-4	Operation and Maintenance, Air Force	888,700,000	888,700,000	785,800,000	852,500,000	-36,200,000	+66,700,000
104-4	Operation and Maintenance, Defense-Wide	43,200,000	43,200,000	43,200,000	46,200,000	+3,000,000	+3,000,000
104-4	Operation and Maintenance, Navy Reserve	6,400,000	6,400,000	6,400,000	15,400,000	+9,000,000	+9,000,000
	Total, Operation and Maintenance	2,282,500,000	2,282,500,000	1,784,100,000	2,307,900,000	+25,400,000	+523,800,000
	Procurement						
104-4	Other Procurement, Army	28,600,000	28,600,000	.....	8,300,000	-20,300,000	+8,300,000
104-4	Other Procurement, Air Force	8,100,000	8,100,000	.....	.....	-8,100,000	.....
	Total, Procurement	36,700,000	36,700,000	.....	8,300,000	-28,400,000	+8,300,000
	Other Department of Defense Programs						
104-4	Defense health program	14,000,000	14,000,000	14,000,000	13,200,000	-800,000	-800,000
	GENERAL PROVISIONS						
104-4	Burdensharing contribution, misc. receipts (sec. 102)	-360,000,000	-360,000,000	.....	-360,000,000	.....	-360,000,000
	Total, Chapter I	2,178,700,000	2,178,700,000	1,935,400,000	2,681,700,000	+503,000,000	+746,300,000
	CHAPTER II						
	PART II						
	RESCINDING CERTAIN BUDGET AUTHORITY						
	DEPARTMENT OF DEFENSE - MILITARY						
	Operation and Maintenance						
.....	Operation and Maintenance, Navy	.....	.....	-16,300,000	-2,000,000	-2,000,000	+14,300,000
.....	Operation and Maintenance, Air Force	.....	-15,000,000	-2,000,000	-2,000,000	+13,000,000	.....
.....	(By transfer)	.....	.....	.....	(23,500,000)	(+23,500,000)	(+23,500,000)
.....	Operation and Maintenance, Defense-Wide	.....	-18,800,000	-90,000,000	-68,800,000	-50,000,000	+21,200,000
.....	Operation and Maintenance, Army Reserve	.....	.....	.....	-6,200,000	-6,200,000	-6,200,000
.....	Operation and Maintenance, Army National Guard	.....	.....	.....	-15,400,000	-15,400,000	-15,400,000
.....	Environmental Restoration, Defense	.....	-150,000,000	-300,000,000	-300,000,000	-150,000,000	.....
.....	Former Soviet Union threat reduction	.....	-80,000,000	.....	-20,000,000	+60,000,000	-20,000,000
	Total, Operation and Maintenance	.....	-263,800,000	-408,300,000	-414,400,000	-150,600,000	-6,100,000
	Procurement						
.....	Aircraft Procurement, Army, 1995	.....	.....	-77,611,000	-34,411,000	-34,411,000	+43,200,000
.....	Procurement of Ammunition, Army, 1993	.....	.....	-85,000,000	-85,000,000	-85,000,000	.....
.....	Procurement of Ammunition, Army 1995	.....	.....	-89,320,000	-55,900,000	-55,900,000	+33,420,000
.....	Other Procurement, Army, 1995	.....	.....	-46,900,000	-32,100,000	-32,100,000	+14,800,000
.....	Shipbuilding and Conversion, Navy, 1995	.....	.....	-26,600,000	.....	.....	+26,600,000
.....	Aircraft Procurement, Air Force, 1993	.....	.....	.....	-100,000,000	-100,000,000	-100,000,000
.....	Aircraft Procurement, Air Force, 1994	.....	-15,000,000	.....	.....	+15,000,000	.....
.....	Aircraft Procurement, Air Force, 1995	.....	-71,400,000	.....	-27,500,000	+43,900,000	-27,500,000
.....	Missile Procurement, Air Force, 1993	.....	-33,000,000	-33,000,000	-33,000,000	.....	.....
.....	Missile Procurement, Air Force, 1994	.....	-86,200,000	-86,184,000	-99,000,000	-12,800,000	-12,816,000
.....	Missile Procurement, Air Force, 1995	.....	.....	.....	-89,500,000	-89,500,000	-89,500,000
.....	Other Procurement, Air Force, 1995	.....	.....	-6,100,000	-6,100,000	-6,100,000	.....
.....	National Guard and Reserve Equipment	.....	-30,000,000	.....	-30,000,000	.....	-30,000,000
.....	Procurement, Defense-Wide, 1995	.....	.....	-81,000,000	-32,000,000	-32,000,000	+49,000,000
.....	Defense Production Act Purchases	.....	-100,000,000	-100,000,000	-100,000,000	.....	.....
	Total, Procurement	.....	-335,600,000	-631,715,000	-724,511,000	-388,911,000	-92,796,000

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Doc No.		Supplemental Request	House	Senate	Conference	Conference compared with House	Conference compared with Senate
	Research, Development, Test and Evaluation						
.....	Research, Development, Test and Evaluation, Army, 1994	.....	-28,300,000	.....	-5,000,000	+23,300,000	-5,000,000
.....	Research, Development, Test and Evaluation, Army, 1995	.....	-19,700,000	-38,300,000	-43,000,000	-23,300,000	-4,700,000
.....	Research, Development, Test and Evaluation, Navy, 1994	.....	-1,200,000	.....	.....	+1,200,000	.....
.....	Research, Development, Test and Evaluation, Navy, 1995	.....	-58,900,000	-59,600,000	-68,800,000	-9,900,000	-9,200,000
.....	Research, Development, Test and Evaluation, Air Force, 1994	.....	-93,800,000	-81,100,000	-49,600,000	+44,200,000	+31,500,000
.....	Research, Development, Test and Evaluation, Air Force, 1995	.....	-75,800,000	-226,900,000	-191,200,000	-115,400,000	+35,700,000
.....	Research, Development, Test and Evaluation, Defense-Wide, 1994	.....	-77,000,000	-77,000,000	-77,000,000	.....	.....
.....	Research, Development, Test and Evaluation, Defense-Wide, 1995	.....	-491,600,000	-351,000,000	-436,445,000	+55,155,000	-85,445,000
	Total, Research, Development, Test & Evaluation..	.....	-846,300,000	-833,900,000	-871,045,000	-24,745,000	-37,145,000
	RELATED AGENCIES						
	National Security Education Trust Fund:						
.....	Total funding available	.....	(-161,287,000)	.....	(-75,000,000)	(+86,287,000)	(-75,000,000)
.....	Appropriation from trust fund currently unobligated.	.....	-14,500,000	.....	.....	+14,500,000	.....
	Total, Chapter II	.....	-1,460,200,000	-1,873,915,000	-2,009,956,000	-549,756,000	-136,041,000
	PART III						
	ADDITIONAL SUPPLEMENTAL APPROPRIATIONS						
	DEPARTMENT OF DEFENSE - MILITARY						
	Military Personnel						
.....	Military Personnel, Army	.....	75,500,000	.....	.....	-75,500,000	.....
.....	Military Personnel, Navy	.....	68,200,000	.....	.....	-68,200,000	.....
.....	Military Personnel, Marine Corps	.....	3,000,000	.....	.....	-3,000,000	.....
.....	Military Personnel, Air Force	.....	70,400,000	.....	.....	-70,400,000	.....
.....	Reserve Personnel, Army	.....	6,500,000	.....	.....	-6,500,000	.....
.....	Reserve Personnel, Navy	.....	5,000,000	.....	.....	-5,000,000	.....
.....	Reserve Personnel, Marine Corps	.....	1,300,000	.....	.....	-1,300,000	.....
.....	Reserve Personnel, Air Force	.....	2,800,000	.....	.....	-2,800,000	.....
.....	National Guard Personnel, Army	.....	11,000,000	.....	.....	-11,000,000	.....
.....	National Guard Personnel, Air Force	.....	5,000,000	.....	.....	-5,000,000	.....
	Total, Military Personnel	.....	248,700,000	.....	.....	-248,700,000	.....
	Operation and Maintenance						
.....	Operation and Maintenance, Army	.....	133,000,000	.....	.....	-133,000,000	.....
.....	Operation and Maintenance, Navy	.....	107,000,000	.....	.....	-107,000,000	.....
.....	Operation and Maintenance, Marine Corps	.....	46,000,000	.....	.....	-46,000,000	.....
.....	Operation and Maintenance, Air Force	.....	80,400,000	.....	.....	-80,400,000	.....
.....	Operation and Maintenance, Army Reserve	.....	13,000,000	.....	.....	-13,000,000	.....
.....	Operation and Maintenance, Navy Reserve	.....	18,000,000	.....	.....	-18,000,000	.....
.....	Operation and Maintenance, Marine Corps Reserve	.....	1,000,000	.....	.....	-1,000,000	.....
.....	Operation and Maintenance, Air Force Reserve	.....	2,600,000	.....	.....	-2,600,000	.....
.....	Operation and Maintenance, Army National Guard	.....	10,000,000	.....	.....	-10,000,000	.....
.....	Operation and Maintenance, Air National Guard	.....	10,000,000	.....	.....	-10,000,000	.....
	Total, Operation and Maintenance	.....	421,000,000	.....	.....	-421,000,000	.....
	Total, Part III	.....	669,700,000	.....	.....	-669,700,000	.....
	CHAPTER III						
	PART IV						
	GENERAL PROVISIONS						
104-4	Coast Guard operations (sec. 104)	28,297,000	.....	28,297,000	28,297,000	+28,297,000	.....
.....	FFRDC'S/Consultant services (sec. 106)	.....	.....	-100,000,000	-150,000,000	-150,000,000	-50,000,000
	Military Construction (sec. 113):						
.....	Military construction, Army, 1995	.....	.....	.....	-3,500,000	-3,500,000	-3,500,000
.....	Military construction, Navy, 1995	.....	.....	.....	-3,500,000	-3,500,000	-3,500,000
.....	Military construction, Air Force, 1995	.....	.....	.....	-3,500,000	-3,500,000	-3,500,000
.....	Military construction, Naval Reserve, 1992	.....	.....	.....	-25,100,000	-25,100,000	-25,100,000
.....	NATO, 1995	.....	.....	.....	-33,000,000	-33,000,000	-33,000,000
.....	Base realignment & closure account, Part III, 1993..	.....	.....	.....	-32,000,000	-32,000,000	-32,000,000
.....	Research, Development, Test and Evaluation, Air Force (by transfer) (sec. 115)	.....	.....	.....	(76,900,000)	(+76,900,000)	(+76,900,000)
.....	Sec. 8005 transfer authority	.....	.....	(-250,000,000)	.....	.....	(+250,000,000)
.....	Expiring balances, FY 1993, Title III (sec. 117)	.....	.....	.....	-100,000,000	-100,000,000	-100,000,000
	Total, Chapter III	28,297,000	.....	-71,703,000	-322,303,000	-322,303,000	-250,600,000
	Total, Chapters I, II and III	2,206,997,000	1,388,200,000	-10,218,000	349,441,000	-1,038,759,000	+359,659,000

FY 1995 EMERGENCY SUPPLEMENTAL APPROPRIATIONS BILL (H.R. 889) — continued

Doc No.		Supplemental Request	House	Senate	Conference	Conference compared with House	Conference compared with Senate
	CHAPTER IV						
	PART V						
	FOREIGN OPERATIONS, EXPORT FINANCING AND RELATED PROGRAMS						
	BILATERAL ECONOMIC ASSISTANCE						
	Agency for International Development						
104-4	Debt restructuring: Debt relief for Jordan	275,000,000		275,000,000			-275,000,000
	DEPARTMENT OF TRANSPORTATION						
	Federal Railroad Administration						
	Grants to the National Railroad Passenger Corporation: Capital				21,500,000	+21,500,000	+21,500,000
	Total, Title I (net)	2,461,997,000	1,368,200,000	264,782,000	370,941,000	-1,017,259,000	+106,159,000
	Appropriations	(2,461,997,000)	(2,848,400,000)	(2,238,697,000)	(2,731,497,000)	(-116,903,000)	(+492,800,000)
	Rescissions		(-1,480,200,000)	(-1,973,915,000)	(-2,360,556,000)	(-900,356,000)	(-386,641,000)
	TITLE II - OTHER RESCISSIONS						
	CHAPTER I						
	DEPARTMENT OF JUSTICE						
	Immigration and Naturalization Service						
	Immigration Emergency Fund		-70,000,000	-10,000,000	-45,000,000	+25,000,000	-35,000,000
	DEPARTMENT OF COMMERCE						
	National Institute of Standards and Technology						
	Industrial technology services		-107,000,000	-32,000,000	-90,000,000	+17,000,000	-58,000,000
	National Oceanic and Atmospheric Administration						
	Operations, research and facilities			-2,500,000			+2,500,000
	National Telecommunications and Information Administration						
	Information infrastructure grants			-34,000,000	-15,000,000	-15,000,000	+19,000,000
	Economic Development Administration						
	Economic development assistance programs			-40,000,000			+40,000,000
	Total, Department of Commerce		-107,000,000	-108,500,000	-105,000,000	+2,000,000	+3,500,000
	RELATED AGENCIES						
	Small Business Administration						
	Salaries and expenses			-15,000,000	-15,000,000	-15,000,000	
	Legal Services Corporation						
	Payment to the Legal Services Corporation			-15,000,000	-15,000,000	-15,000,000	
	Total, Related Agencies			-30,000,000	-30,000,000	-30,000,000	
	DEPARTMENT OF STATE						
	Administration of Foreign Affairs						
	Acquisition and maintenance of buildings abroad			-26,500,000			+26,500,000
	Total, Chapter I (rescissions)		-177,000,000	-177,000,000	-180,000,000	-3,000,000	-3,000,000
	CHAPTER II						
	DEPARTMENT OF ENERGY						
	Atomic Energy Defense Activities: Defense Environmental Restoration and Waste Management		-100,000,000	-100,000,000	-200,000,000	-100,000,000	-100,000,000
	CHAPTER III						
	FOREIGN OPERATIONS, EXPORT FINANCING AND RELATED PROGRAMS						
	MULTILATERAL ECONOMIC ASSISTANCE						
	International Financial Institutions						
	Contribution to the International Development Association			-70,000,000	-80,000,000	-80,000,000	+10,000,000
	Contribution to the African Development Fund		-62,014,000	-62,014,000	-62,014,000		
	Total, International Financial Institutions		-62,014,000	-132,014,000	-122,014,000	-60,000,000	+10,000,000
	BILATERAL ECONOMIC ASSISTANCE						
	Agency for International Development						
	Development Assistance Fund			-13,000,000	-12,500,000	-12,500,000	+500,000
	Assistance for Eastern Europe and the Baltic States			-9,000,000			+9,000,000
	Assistance for the New Independent States of the Soviet Union		-110,000,000	-18,000,000	-7,500,000	+102,500,000	+10,500,000
	Total, Agency for International Development		-110,000,000	-40,000,000	-20,000,000	+90,000,000	+20,000,000
	Total, Chapter III (rescissions)		-172,014,000	-172,014,000	-142,014,000	+30,000,000	+30,000,000

FY 1995 EMERGENCY SUPPLEMENTAL APPROPRIATIONS BILL (H.R. 889) — continued

Doc No.		Supplemental Request	House	Senate	Conference	Conference compared with House	Conference compared with Senate
	CHAPTER IV						
	DEPARTMENT OF INTERIOR						
	United States Fish and Wildlife Service						
.....	Resource management	.....	.....	-1,500,000	-1,500,000	-1,500,000	.....
	RELATED AGENCIES						
	DEPARTMENT OF ENERGY						
.....	Clean coal technology	.....	-200,000,000	-200,000,000	-200,000,000	.....	.....
	Total, Chapter IV (rescissions)	.....	-200,000,000	-201,500,000	-201,500,000	-1,500,000	.....
	CHAPTER V						
	DEPARTMENT OF LABOR						
	Employment and Training Administration						
.....	Training and employment services	.....	-200,000,000	-200,000,000	-200,000,000	.....	.....
	DEPARTMENT OF EDUCATION						
104-28							
104-40	School improvement programs	-103,084,000	-100,000,000	.....	-65,000,000	+35,000,000	-65,000,000
.....	Student financial assistance	.....	.....	-100,000,000	-35,000,000	-35,000,000	+65,000,000
	Total, Chapter V (rescissions)	-103,084,000	-300,000,000	-300,000,000	-300,000,000	.....	.....
	CHAPTER VI						
	DEPARTMENT OF TRANSPORTATION						
	Federal Aviation Administration						
.....	Facilities & equipment (Airport and Airway Trust Fund)	.....	.....	-35,000,000	-35,000,000	-35,000,000	.....
	Federal Highway Administration						
.....	Federal-aid highways (Highway Trust Fund)	.....	.....	-139,948,000	.....	.....	+139,948,000
.....	Miscellaneous highway demonstration projects (Highway Trust Fund)	.....	.....	-12,004,450	-12,004,000	-12,004,000	+450
	Total, Federal Highway Administration	.....	.....	-151,952,450	-12,004,000	-12,004,000	+139,948,450
	Federal Railroad Administration						
104-28	Local rail freight assistance	-13,216,371	-13,126,000	.....	-6,563,000	+6,563,000	-6,563,000
	Grants to the National Railroad Passenger Corporation:						
.....	Pennsylvania station redevelopment project	.....	-40,000,000	.....	-40,000,000	.....	-40,000,000
	Total, Federal Railroad Administration	-13,216,371	-53,126,000	.....	-46,563,000	+6,563,000	-46,563,000
	Total, Chapter VI (rescissions)	-13,216,371	-53,126,000	-186,952,450	-93,567,000	-40,441,000	+93,385,450
	CHAPTER VII						
	DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT						
	Housing Programs						
.....	Annual contributions for assisted Housing	.....	.....	-400,000,000	.....	.....	+400,000,000
	INDEPENDENT AGENCIES						
	National Aeronautics and Space Administration						
.....	National aeronautical facilities	.....	-400,000,000	.....	.....	+400,000,000	.....
	Total, Chapter VII (rescissions)	.....	-400,000,000	-400,000,000	.....	+400,000,000	+400,000,000
	Total, Title II (rescissions)	-116,300,371	-1,402,140,000	-1,537,466,450	-1,117,081,000	+285,059,000	+420,385,450
	Grand total (net)	2,365,696,629	-13,940,000	-1,272,684,450	-746,140,000	-732,200,000	+526,544,450
	Appropriations	(2,481,997,000)	(2,848,400,000)	(2,238,697,000)	(2,731,497,000)	(-116,903,000)	(+492,800,000)
	Rescissions	(-116,300,371)	(-2,862,340,000)	(-3,511,381,450)	(-3,477,637,000)	(-615,297,000)	(+33,744,450)
	(Transfer out)	.....	.....	.....	.....	.....	.....
	(By transfer)	.....	.....	(-250,000,000)	(100,400,000)	(+100,400,000)	(+350,400,000)

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

Mr. OBEY. Mr. Speaker, I yield myself 6 minutes.

Mr. Speaker, when this bill originally left the House, I voted against it for a number of reasons. First of all, because it took money from domestic programs to pay for some of the additional Pentagon spending in the bill.

Second, the bill added to the deficit. At the time the bill left the House, the committee indicated that even though the outlays were not in balance, that in fact the bill was balanced in terms of budget authority. But after the bill passed the House, the committee produced a table, I did not produce that table, the committee produced a table, which indicated that in fact the bill, as it left the House, added $186 million in budget authority to the deficit and it added $250 million in outlay spending to the deficit in the first year and $650 million to the deficit in the out years.

I thought that was a very important reason to object to the bill. When we went to conference with the Senate, I offered a motion to instruct conferees. And essentially at that time what I said is that I was willing to overlook, though I was not enthusiastic about the idea, I was willing to overlook the fact that some domestic-related programs were used to finance some of the Pentagon spending in the bill, provided that the bill, in fact, would be paid for. So we asked the conferees to produce a bill which was, in fact, paid for.

In conference, I did not sign the conference report for a number of reasons.

First of all, because in the nondefense portion of this bill, it retains spending for an item which was strongly insisted on in the Senate, which begins a new construction program in the area of education. I, frankly, think it is silly and shortsighted and stupid, even though that program in and of itself may be useful, for us to spend money on that program which we do not have at the very same time that we are cutting money from existing education programs.

Second, I wanted to register my objection to the fact that the committee continues to insist that we spend $14 million in my district which I do not want to spend. I do not know of another situation in the Congress where you have both U.S. Senators and the Member of the House representing a specific district asking that a project be canceled in our district. That is what we are asking to do. Yet the Congress, in what I regard as a typical lap dog puppy situation, again rolled over and decided to give the Navy the money for its toy again.

Third, I do not like the fact that this is treated as an emergency and, therefore, does not count added defense spending in out years against the budget caps. In fact, it should, if we are serious about deficit reduction.

And fourth, I was trying to help the administration on the issue of Jordan because the administration was asking for help in seeing to it that the Jordan debt provision, which in the Senate was originally contained in this bill, not be moved from this bill to the $17 billion rescission bill which we have sent to the Senate.

But on that score, I would say that, in light of the administration's negotiations which they conducted last night in the Senate, without consultation on the side so far as I know, it appears to me that the White House does not mind being jerked around on the issue of Jordan. It would appear to me the White House does not mind being blackmailed on the issue of Jordan. And so if they do not care, why should I?

So what I am going to do on the floor, now that I have registered my concern on the individual points, is to support this conference report, because in essence, it does what we asked them to do in the motion to instruct, and it does what the bill did not do when it originally left the House, which is to largely offset the spending with cuts, so it does remain significantly deficit neutral.

So I think that in comparison to the House-passed package, this is much more preferable. Having registered my concerns on the details, I will, in the interest of comity and the interest of getting things done, recognize the progress that was made in the conference report and support the bill as it is reported.

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

Mr. OBEY. I yield to the gentleman from Louisiana.

Mr. LIVINGSTON. Mr. Speaker, I thank the gentleman for yielding to me. Certainly I will reciprocate in the event that we run short of time, although I do not think that we will. I would just like to point out that insofar as the gentleman's objections to the educational infrastructure project are concerned, the gentleman from Louisiana and the gentleman from Illinois [Mr. PORTER], who chairs the subcommittee on which the gentleman is the ranking minority member, totally agree with the gentleman from Wisconsin that that program is wasteful, inefficient, and almost constitutes a brand new entitlement for which the taxpayer to the U.S. Federal Government cannot possibly be expected to ultimately pay.

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

I say further to the gentleman that the fact is that the other body pressed very hard for this program, notwithstanding the prognosis that in future legislative activities before this body, that this program will not be looked upon kindly. Yet, it was a compromise. It was an effort to reach an accommodation, at least temporarily, so this very important bill could go forward. Unfortunately, the whole appropriation was not stricken. But I totally share the sentiment of the gentleman and want to assure him that it was only agreed to for the purposes of comity with the other body in order to conclude the entire conference.

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

Mr. LIVINGSTON. I yield to the gentleman from Wisconsin.

Mr. OBEY. Mr. Speaker, I thank the gentleman for his statement, and I would say that I certainly recognize the value of the program that the Senate is trying to support, but it just seems to me that the worst thing one can do in a situation of tight budgets is to unfairly raise people's expectations about the ability of the Federal Government to fund yet another program when, in fact, we are making substantial reductions in programs that now do some very good things for a lot of people who need help.

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I share the gentleman's view on that point, and would simply observe that for all of the Members who voted for the motion to instruct, demanding that conferees come back with a bill which is essentially budget neutral and does not add to the deficit, we won our point, and I think that deserves recognition on our part on the conference report.

Mr. LIVINGSTON. Reclaiming my time, Mr. Speaker, in further response to the gentleman, I agree with his points. I would add, though, that the administration made a commitment to Jordan that there would be three tranches in response to the President's agreement to forgive Jordanian debt; that one would be expected to be provided in 1995, one in 1996, and one in 1997.

We are currently dealing with a conference agreement on a supplemental and a rescission of 1995 appropriations. We are going to deal with another one, another 1995 supplemental and rescission conference agreement in the coming weeks. We will deal with this relief in that agreement. The fact is that the three tranches for Jordanian aid will be dealt with in 1995, not in 1996 or 1997, for the entire total balance of the commitment that the President has made to Jordan.

If that is jerking the administration around, I think they would think it is a good way to do it, from their point of view.

Mr. Speaker, I am delighted to yield 5 minutes to the gentleman from Florida [Mr. YOUNG], the very hard-working, diligent, and most distinguished chairman of the Subcommittee on National Security of the Committee on Appropriations.

Mr. YOUNG of Florida. Mr. Speaker, I thank the distinguished gentleman from Louisiana for yielding time to me.

Mr. Speaker, I do not think it is necessary to use all of the time we have allocated today. I did want to pay a special tribute to my chairman, the gentleman from Louisiana [Mr. LIVINGSTON], because as we proceeded with

this supplemental he was there every step of the way in strong support of what we were doing.

I have to admit, after having served in the minority for so many years, to be the chairman of the subcommittee that brought out the first appropriation bill of this new Congress was gratifying, and it was a partnership effort. The gentleman from Pennsylvania [Mr. MURTHA], the former chairman of the subcommittee, could not have been a stronger supporter, and I think we both felt really good when the subcommittee and the full committee agreed to the recommendation we made on how to deal with this emergency supplemental. We moved it even ahead of the request from the administration, because we recognized the emergency and the time element.

I would also want to say that, in addition to the Members who were so helpful and so supportive, I never saw a staff work as many hours, attend as many meetings, draw up as many papers and make as many comparisons on so many different ideas as I saw in this particular exercise. I pay tribute to that staff, because even after we would go home at 10 or 11 o'clock at night, they were still here after we left, and they were here before we got back the next morning.

Mr. Speaker, I want to take just a couple of minutes to say that we are facing not just a supplemental issue today but we are facing a real concern about the readiness of our forces and the ability to defend our national interest.

For the last 10 years we have experienced a reduction, a reduction in the amount of funding made available to our national defense establishment for pay for forces, for uniforms, for training, for modernization of equipment. We have reduced that budget for the last 10 years. The budget request that we deal with this year would be the 11th reduction.

The gentleman from Pennsylvania [Mr. MURTHA] and I have discussed this on a number of occasions, we would not be able to do today what we did in Desert Storm just a few short years ago, because of the tremendous reductions. We have to face up to and recognize that the many contingencies that are not planned for, that are not funded, that we have to develop some way to deal with these contingencies.

If the President is going to deploy forces around the world on an unplanned contingency, he ought to consult with the Congress of the United States, so we can work together not only in devising the plan to handle the deployment and the mission, but to determine how we are going to pay for it before we get into a crisis situation like we face today.

If we do not pass this supplemental today, the Navy is prepared to tie up ships within the next couple of weeks. The Air Force and the Navy both are prepared to ground airplanes; not prepared to, they would be forced to, because the money for those purposes has already been spent for these contingencies.

Mr. Speaker, one other issue, Haiti. There was a strong difference of opinion in this House whether or not we should even have gone to Haiti to return Aristide to office. Nevertheless, it happened. Our troops performed almost flawlessly. We should be so extremely proud of the way that they did perform in Haiti.

However, Haiti was not a military threat to our Nation, not a security threat to our Nation, and the Department of Defense should not have to pay the bill for the Haiti operation. It should come from another account, whether it is the State Department or the foreign aid account. It should not come out of the hide of the national defense establishment that is already suffering from 10 years of funding reductions.

Mr. Speaker, I hope Members will pay close attention, because the gentleman from South Carolina [Mr. SPENCE], the distinguished chairman of the Committee on Armed Services, which we now call the Committee on National Security, and I have met on many occasions since the beginning of this Congress. We have reached an agreement that any projects, any items that are going to be authorized in their bill or appropriated by our appropriations subcommittee had better have a national defense application.

We are not going to use the national defense budget for a slush fund for anyone. We are going to be very careful not to use the national defense funding for political projects, whatever they might be. Whatever is funded and authorized in this Congress for national defense is going to be used for national defense.

Mr. Speaker, I want to thank my friend, the gentleman from Wisconsin [Mr. OBEY], for the stature that he displays in being willing to support this legislation today, although he opposed it in the beginning. It is somewhat different than it was in the beginning. I appreciate all the support from the gentleman from Wisconsin and his staff, all of the Members of the House and our subcommittee.

Mr. Speaker, as I said earlier, the Department of Defense is facing a critical shortfall in its funding for military readiness and training—because the funds we provided last year for these activities have been siphoned off, and used to pay for the large number of contingency operations that our Armed Forces have been involved in since last fall. Haiti, Bosnia, the Middle East, refugee relief at Guantanamo Bay, Korea, Somalia. All these operations, the DOD has been forced to pay for out of hide—from funds intended for training and readiness in the second half of the current fiscal year.

The second half of the fiscal year began last Saturday, Mr. Speaker—and if we do not act to replenish the DOD's accounts, beginning next week we will start to see the Pentagon ordering cutbacks in all of the military services.

The Joint Chiefs of Staff have recommended that without this supplemental, in April they will have to order the Air Force to cut flying hours by 25 percent; the Navy will have to cancel scheduled maintenance on two aircraft carriers; the Marines will have to cancel exercises and cut operating forces budgets by 20 percent; and the Army will have to cut tank training 25 percent and scrub preparations for exercises at the National Training Center in California.

That is just what will happen in April. It will get worse as the year goes on.

That is why we have to act—and why we have brought back to the House this emergency supplemental for the DOD which, while it is not perfect, provides the only way we can avoid what will be a disaster for military readiness.

This bill provides just over $3 billion in readiness funding for the military—and it not only covers the costs of the contingency operations I just mentioned but also provides money to fully finance the military pay raise for 1995, as well as a $250 million shortfall in pay accounts for our forces stationed overseas, brought on by the drop of the dollar.

And at the same time we provide this emergency funding, we have more than fully offset these costs—by recommending over $3.8 billion worth of rescissions and offsets. As a result, even with the funding for the DOD, this bill will reduce current budget authority by over $740 million dollars.

Now, I have to admit I am not entirely comfortable with having to totally offset an emergency supplemental for our military. Our committee has never done this before; and we have to realize that depending on the type of military actions our forces may have to carry out, it may be impossile to totally offset Defense supplementals in the future. But in this bill we have done so.

I must also admit that I am not entirely pleased with how we finally offset this bill. After a long and hard negotiation with the other body, we ended up agreeing to taking nearly $2.4 billion in rescissions out of other Defense accounts—$2.26 billion from programs under the National Security subcommittee, and another $100 million from military construction. On top of this, $200 million is coming from the defense-related accounts in the Department of Energy.

In conference, we were basically asked to rob Peter to pay Paul—take money out of other Defense accounts to pay for Defense readiness. We did our best to recommend Defense offsets which were less critical, less important—but the fact remains, the Defense budget has been cut for 10 straight years. There are no easy cuts left. And we had a very difficult time settling with the Senate which Defense accounts were important, and which ones were not.

None of this was easy for the House conferees—but we were left with no choice. And I want to thank Chairman VUCANOVICH and Chairman MYERS for helping with offsets, because without these we could not have gotten an agreement before the recess.

We would not be in this situation if the President would have come to the Congress and asked for approval of these operations as well as the needed money in advance. With the exception of the deployments to the Middle East and Korea, we are not talking about emergency military operations here. We are

talking about peacekeeping, and humanitarian operations—things that are not the core mission of the Department of Defense.

That is one thing we were all able to agree upon in our conference—that the President just cannot keep ordering these operations and then expect us to come up with the money afterwards. We just can not keep doing this. We will destroy military readiness and other critical defense programs. We lay all this out in the statement of managers. And I know, based on how all of us in the conference felt—Chairman LIVINGSTON, Senators HATFIELD, BYRD, STEVENS, and INOUYE; and certainly myself and the gentleman from Pennsylvania, Mr. MURTHA—that if the President does not do something to correct this then we will come back in the 1996 appropriations bills with some further recommendations of our own.

So, this is not a perfect agreement, but it is one that we have to pass. And I want to thank BOB LIVINGSTON and the ranking member of our subcommittee, JACK MURTHA, as well as our Senate counterparts for their efforts to bring this emergency bill back to the House before we leave this week. This is a good bill, and one that is absolutely essential. I urge your support.

Mr. OBEY. Mr. Speaker, I yield myself 4 minutes.

Mr. Speaker, I would simply like to make one additional point on the Jordan issue, in light of the comments made by the chairman. Let me put it this way, Mr. Speaker: I can recall when a previous President, President Bush, asked for bipartisan help to see to it that they could in fact move events forward in the Middle East by withholding funds for the Israel loan guarantee.

That was not a popular position for President Bush to take in the Congress. At that time I supported President Bush strongly, because I thought that unless those loan guarantees were held up, we would never see a posture on the part of the Israeli Government with respect to the settlements issue that was consistent with American foreign policy.

I would compare that bipartisan support of President Bush with the quite different approach taken by the other body, and especially the majority party in the other body on the issue of Jordan. We now have this President asking for help to again move the peace process forward by funding the commitment that the President made to Jordan when they agreed to follow along in this round on the peace process. But instead, what has happened is that we have had an insistence from the majority leader in the other body that funding for Jordan be taken out of this bill, where it belongs, and put into what is essentially a domestic rescission bill.

What that will mean is that any Member who votes for that rescission bill will be asked to make cuts in domestic programs for kids and for seniors in order to fund debt relief for Jordan. I do not think that is a very smart thing to do tactically, I do not think that is the right thing to do substantively. It seems to me if we are going to provide that action for Jordan, that it belongs in this bill and it should be offset in this bill, because I am tired of seeing this Government make foreign policy decisions that wind up having domestic consequences that are negative for our constituents.

Another example would be, for instance, the situation which we find ourselves in with respect to refugees, where the Federal Government will make agreements allowing refugees into this country, and then they will walk away from the obligation to support the financing of those refugees, and turn the obligation for that over to State and local governments.

I do not think that is legitimate. I think foreign policy issues should be dealt with in foreign policy bills. That is why Jordan belongs in this bill. That is why Jordan belongs in this bill, not the other bill.

However, I find it quaint that the administration asked a bipartisan group of people to go up to the other end of Pennsylvania Avenue twice on last Thursday to talk about the necessity to keep Jordan funding in this bill, rather than moving it over to the other bill, and then we find out that without any notice whatsoever to anybody on this side of the Capitol, the administration decides, after all, they are going to acquiesce in putting it in the other bill.

That is why I say that the administration apparently does not mind being jerked around. I do. It seems to me the next time the administration asks someone in the Congress to defend their position on a foreign policy issue in the Congress, it would be nice to know that we could find the administration where they were the last time we talked to them.

Mr. LIVINGSTON. Mr. Speaker, I will let the gentleman's comments stand where they are, and I am delighted to yield 2 minutes to the gentlewoman from Nevada [Mrs. VUCANOVICH], the distinguished chairwoman of the Subcommittee on Military Construction of the Committee on Appropriations.

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

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

Mr. Speaker, I rise to speak regarding the conference agreement on Senate amendment numbered 5, the Military Construction Subcommittee's portion of the bill H.R. 889, as well as action to date on the bill H.R. 1158.

As these two bills proceeded through the House, no rescissions were proposed for military construction.

The Senate took an opposing view. On H.R. 889, the Senate imposed a contingent rescission based on the current round of base closure, and this contingent rescission may have reached a total of $150 million. On H.R. 1158, the Senate imposed additional rescissions totaling $230.8 million. In the House view, these rescissions were ill-advised and unnecessary at this time.

In conference action on H.R. 889, the House very reluctantly agreed to rescissions totaling $100.6 million, and these specific rescissions are explained in detail in the statement of the managers accompanying the conference report. More importantly, the conferees agreed that all rescissions proposed by the Senate in both bills would be addressed in the conference agreement on the bill H.R. 889. Therefore, no rescissions will be recommended for military construction in final action on H.R. 1158.

Mr. OBEY. Mr. Speaker, I yield 3 minutes to the gentlewoman from Ohio [Ms. KAPTUR].

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

Mr. Speaker, I wish to bring to the Members' attention a title that is a part of this Defense supplemental bill, title IV, entitled ''The Mexican Debt Disclosure Act of 1995,'' a measure that was attached in the Senate and then agreed to by the conferees.

Let me mention also, Mr. Speaker, that as the ranking member on our side has indicated, it has been very difficult to get the $3.1 billion identified in the overall defense supplemental bill to take care of costs for Haiti, for Bosnia, for Somalia. I might mention $3.1 billion.

Title IV, which deals with Mexico, talks about $20 billion. Of course, that is money that has not been voted on by the Members of this body, because we have not been permitted a vote by our own leadership. We have been thwarted at every turn.

Now we are faced with a vote on a defense supplemental that has a title that pushes us a little bit further toward getting some additional information from the Clinton administration. I have to say that it is a step in the right direction, but it is certainly not what we have been asking for in this body.

□ 1130

A little recent history here. Members will remember that we were ruled against, those of us who wanted a clean vote on the question of whether we should be appropriating dollars to support the bailout in Mexico. The Speaker ruled against us. We were not allowed an open debate a few weeks ago. Then there was a vote in the Republican conference about a week ago, 2 to 1 against getting a vote here, a clean vote on the floor on the question of these credits and loan guarantees being extended to Mexico. Now the only item we were able to get passed was a resolution that had broad bipartisan support here, House Resolution 80, which we had to use a special procedure to disgorge it from committee and it essentially only asked the administration for information which was supposed to be here by March 15 and which is not here. Only parts of it are here.

Now the cleanest measure that we could get on this floor is not this title

IV of this bill but rather Discharge Petition 2 which sits at the desk there that would allow us a clean vote on the issue of how many dollars if any should be extended further to Mexico to help bail out that tragic situation down there.

I want to point out to the Members, this title does exist in this bill. It is a serious title. Essentially what it says is that no money, loan credit guarantee or arrangement through the Exchange Stabilization Fund at the Treasury or the Federal Reserve can be extended unless the President of the United States has provided us with every single document that we have asked for in our resolution of inquiry.

I can say based on the research we have done in our office, again this information was to have been here by March 15. There are big holes in what the administration has failed to tell us, including the conditions that were placed on the bailout by members of the investment community, the relationships to the Bank for International Settlement and the other international funds involved in this bailout, and private phone conversation notes between the Government of the United States and Mexico.

I just have to say that this is another weak attempt to try to get some vote here in the Congress on a massive amount of money that is being extended by the people of the United States.

Mr. Speaker, I have to say that it is not comfortable to be a Member of this body and not be allowed a full debate on a matter that is 7 times as large as the base dollar funding in this defense supplemental. This has been an insiders' deal from the beginning. I think that the Members should read the language of title IV carefully. We have a right to debate this amount of money going to another country. We are tied in knots over $3.1 billion of money that needs to be paid to restore the amount in our readiness accounts. Why is it so difficult to get a full debate in the Congress of the United States when we have a new form of back-door foreign assistance that has been allowed to Mexico setting an incredible precedent that we will have to account for later?

I just have to say that this amendment that was added to this bill gets us to maybe second base but it does not get us the full and open debate and the kind of oversight that we need in this body on the amount of money that is now being extended to not just back up the Government of Mexico but the Mexican banking system. This is extremely serious. Title IV, an important step perhaps, gets us to second base, not the home run that we really need in order to gain proper oversight over this massive expenditure of our tax dollars.

Mr. LIVINGSTON. Mr. Speaker, I yield myself 1 minute to respond to the gentlewoman and say that had it not been for the Appropriations Committee, the gentlewoman would not have an opportunity to discuss this issue at all. We have developed a compromise with the Senate on this bill. We have compelled the White House to provide documentation which has not been forthcoming to date despite a resolution passed by this House on March 1. We are doing our best to get to the bottom of the issue and try to provide as much light on the decision process on the issue of providing aid to Mexico as we possibly can. This is a good first step. There may be others. The gentlewoman should in fact be pleased that we have gone as far as we have.

Ms. KAPTUR. Mr. Speaker, would the gentleman yield for three questions?

Mr. LIVINGSTON. To the extent I have any more time on the minute, I would be happy to yield to the gentlewoman from Ohio.

Ms. KAPTUR. I would just ask the gentleman, is it the gentleman's understanding that in title IV that if passed it certifies that the President—

The SPEAKER pro tempore (Mr. HASTINGS of Washington). The time of the gentleman from Louisiana [Mr. LIVINGSTON] has expired.

Mr. OBEY. Mr. Speaker, I yield 2 minutes to the gentlewoman from Ohio [Ms. KAPTUR].

Ms. KAPTUR. I thank the gentleman for yielding me the time.

Mr. Speaker, I would like to know whether if we vote for this, we assure ourselves that until the President certifies that without exception every requested document has been turned over to Congress, all further Mexican bailout funds through the ESF, the Federal Reserve Board or any other fund with which the United States is associated in the pipeline are halted.

Mr. LIVINGSTON. If the gentlewoman would yield, I would say that certainly the White House counsel is going to be examining this provision carefully, but it is the gentleman's understanding that from the point of passage of the bill that the White House, or that the administration has 10 days to sign the bill. If in fact they have not provided the documentation at the end of the 10 days, there will be a period of time during which there shall be no Mexican assistance. However, if the documentation is provided prior to that time, then there is no lapse at all.

Mr. BURTON of Indiana. If the gentlewoman would yield, I think the gentleman the chairman is correct with one possible exception. I want to make sure this is well understood. After the President signs the bill, the time starts. Then the requirement starts. Not after we pass it here in the House. It is after the President signs it, I believe, which could be as late as the 24th or 25th of this month.

Ms. KAPTUR. This leads to my second question. Then it is my understanding that under the legislation the President would not have to provide the documentation until the last day of the first month after which this legislation is passed, which would mean the end of May; is that correct?

During which time billions more could flow out of that fund. Am I correct in my understanding?

Mr. LIVINGSTON. If the gentlewoman would yield to me, that is not my understanding. I think that the time limits are much shorter than that.

Mr. BURTON of Indiana. Mr. Speaker, will the gentlewoman yield?

Ms. KAPTUR. I yield to the gentleman from Indiana.

Mr. BURTON of Indiana. Regarding the certification, it said the funds stop unless and until the President submits the appropriate documents. Until we get the certification, the money is cut off, so it would be around the 24th or 25th of this month.

Mr. OBEY. Mr. Speaker, I yield myself 1 minute.

Mr. Speaker, I would simply suggest that I do not think it is particularly constructive for individual Members of Congress to try to write a record of legislative intent when in fact the record that is being written is probably not accurate nor legitimate.

I do not believe, for instance, that any Member of the House who is not a member of the conference can really assure the House about anything with respect to what that language means. I certainly do not necessarily subscribe to the interpretation of the gentleman from Indiana since he was not a member of the conference and cannot possibly have an understanding of what the agreement was that was reached by persons who were in the room.

Ms. KAPTUR. If the gentleman would be kind enough to yield, I would just like to read into the RECORD the actual language in title IV which says that the reports will be provided beginning on the last day of the first month which begins after the date of enactment, which would be the end of May.

Mr. LIVINGSTON. Mr. Speaker, I yield 5 minutes to the distinguished gentleman from California [Mr. CUNNINGHAM], a member of the Committee on National Security.

Mr. CUNNINGHAM. Mr. Speaker, I would say to the gentleman from Wisconsin [Mr. OBEY] and the last speakers, that many of us on this side of the aisle agree that when he talked about Jordan, King Hussein, we all witnessed the King up here with good intentions, but he, in fact, does not have control of Jordan and with the Palestinians, this Member personally feels that we are dumping money down a rat hole.

I think we have also taken a look and many Members on this side of the aisle want an up-or-down vote on Mexico, the bailout. I think that it is going to be a problem. I do not know what the deal is with the support of President Clinton on the issue, but many of us would like to halt the money going to Mexico, because I think again it is money going down a rat hole.

I also agree with the gentleman from Wisconsin [Mr. OBEY] that when we are

looking at a balanced budget and we are sending money to Mexico, we are sending money to Jordan and we have domestic problems here in this country and we also have military readiness problems, that we have got to change our modus operandi on both sides of the aisle and the administration as well.

But why is this particular issue that we are talking about today important? Military readiness, and I quote from testimony in the Committee on National Security, that we are near buffet condition when it comes to national security, and near buffet is the condition in which an airplane goes into an out-of-control spin. That condition has been created much because of the operations of this body. Our op tempo today, operation tempo, is higher than it was during Desert Storm or Vietnam. But yet our military has had dollars cut out of it not only in a $177 billion defense cut but from not funding BRAC, from all the operations that were in Somalia, Haiti, and so on.

In Somalia, we testified, when there was an extension of Somalia that it was going to cost billions of dollars, and that was going to come out of military readiness, time and training.

This is an attempt to get a little portion of that money back. In the meantime, we have gone a year and a half without allotting the training in the military. I just got through with a briefing of the military. Our F–18's, C–10's, our F–15's, our AWACS in Bosnia and these other expenditures are killing the flight time left on those airframes. At the same time, we have air wings back in the States that are not flying. Top Gun did not fly against its class because it did not have enough fuel or parts because of the Somalia, the Haiti, the Bosnia expeditions. This is critical.

If we take a look at the extension of Somalia, we said it was going to cost billions of dollars. Then if we take a look at the retreat from Somalia that we just went through, General Aideed is still there, and it cost us over 100 Rangers that were killed in Somalia at great cost to this country. When we talk about domestic programs, when we talk about military readiness, it was not Members on this side of the aisle that made the decision to extend Somalia that cost lives and billions of dollars.

Haiti is another case. We put into position a madman in Haiti. I ask the Speaker, if we pulled out of Haiti today, what would be the condition? Do Members remember Papa Doc and Baby Doc? It would be a total turmoil there. That has cost us billions of dollars. We are paying for those military forces, military, the United States is. That is wrong, against our own military defense. Again, when we pull out of there, it is going to go back just like it has, and we could have left it there for another 100 years and it would not have been a national security.

The President is saying, what a great victory. Pull out of there and see what kind of victory we have.

Mr. Speaker, I would also like to take a look at the different costs. There are many on the other side of the aisle that would depreciate our readiness and our capability in national defense and our military. But we are asking our men and women to put their lives on the line. Readiness is not just machines. Readiness is not just going out and turning and burning in a jet or in the ground on a tank. It is the families that are involved. We ask these high up-tempo operations at a cost of family separation, and the No. 1 indicator of our men and women leaving the service is family separation. That is part of readiness as well. We need to get a grip on this.

I ask Members on both sides of the aisle to support this supplemental, because if we do not get it, and I quote, our military will shut down at the end of this fiscal year.

□ 1145

Mr. LIVINGSTON. Mr. Speaker, I yield 3 minutes to the gentleman from Indiana [Mr. BURTON], a distinguished member of the Committee on International Relations.

Mr. BURTON of Indiana. Mr. Speaker, I thank the gentleman for yielding.

Let me just say that the gentlewoman who has worked so hard on the Mexican issue is to be commended, the gentleman from Alabama [Mr. CALLAHAN], subcommittee chairman, should be commended, the gentleman from California [Mr. COX], the gentleman from Florida [Mr. YOUNG], the chairman, the gentleman from Louisiana [Mr. LIVINGSTON], and the gentleman from Wisconsin [Mr. OBEY] for putting language in here that at least gives the Congress an opportunity to get information on the Mexican bailout.

But as the gentlewoman from Ohio said, we still are not going to have a vote on the ultimate $52 billion that is going to go to Mexico, $52,000 million that is going to Mexico without a vote by the people's House on their tax dollars.

So far it was reported in the Los Angeles Times yesterday that of the first $5 billion, $5,000 million, that was sent to Mexico, $4 billion, $4,000 million, was used to pay off American insurance companies, mutual fund investors, Wall Street brokerage houses, Mexican banks, and the richest of Mexico's rich, these people that bought their tesobonos, their bonds, down there, and that is not what we were sending the money down there for in the first place.

It is really a tragedy our tax dollars are being used to pay off these people who invested in Mexico knowing the risks. We are bailing out the big investors who took the risks, and now they are being repaid even though they should have taken the loss like anybody else that invests in financial instruments.

Now, this legislation does head in the right direction. It is a step in the right direction. The President is going to have to certify to the Congress what this money is being spent for, where it is going. They do not particularly like that at the White House, but, nevertheless, they are going to have to do it, otherwise additional tranches of money are not going to go to Mexico.

That still begs the issue. Should we be sending this money down there in the first place? Anyone who is following the financial markets knows the dollar has been dropping like a rock. It is at the lowest levels against the Japanese yen in decades, and in large part, if you talk to many economists, you will find that is due to the Mexican bailout that has been taking place unilaterally by the executive branch of Government.

This Congress was going to vote on it. We had a proposal that would protect the American taxpayer. We could not get Mexico to go along with the provisions. We could not get the White House to go along with the provisions. They decided to use the Exchange Stabilization Fund, which has never been used for that purpose before to my knowledge. There are some people that question the legality of it.

As a result, the peso has continued to drop. It finally stabilized at half of what it was worth. The dollar continues to drop.

We are responsible for the taxpayers' dollar. Even though the Committee on Appropriations is to be commended for at least putting this language in the legislation, it does not go far enough. We ultimately need an up-or-down vote on whether we should continue to send billions of United States taxpayers' dollars, billions of United States taxpayers' dollars to Mexico without any guarantees it is going to be repaid. That money right now is going down a rat hole.

Of the first $12 billion that has gone down there, $11 billion of it is gone. They have only increased their reserves by $1 billion. We still need an up-or-down vote on this entire issue.

Mr. LIVINGSTON. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from Alabama [Mr. CALLAHAN], chairman of the Subcommittee on Foreign Operations, Export Financing and Related Programs, who did an outstanding job in the conference.

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

Mr. CALLAHAN. Mr. Speaker, I rise in support of the conference report on the supplemental appropriations and rescissions bill. As chairman of the Subcommittee on Foreign Operations, I am pleased to report that we have participated in the effort to offset the defense spending in this bill by reducing foreign aid spending by $142 million. In addition, we have reallocated $15 million from the Russian Officer Housing

Program, a program I have strongly opposed, to other economic assistance in the New Independent States. However, these funds would not be available to Russia.

These reductions are a downpayment on the cuts that will be necessary in fiscal year 1996. In addition, we will be looking at further reductions in the second rescission bill that is currently pending in the Senate.

In addition, while we have not provided debt relief for Jordan in this conference agreement, we have pledged to address this issue in the second rescission bill as well. We committed ourselves to meeting the parameters of the agreement between the administration and Jordan in support of the October 1994 peace agreement. The President believes this debt relief is in the national security interest of the United States, and we will make every effort to provide the full amount for debt relief in the next rescission bill.

I would just like to say a few words about the agreement on Mexican debt relief. The agreement we have reached with the Senate requires the President to provide the information on the Mexican debt crisis called for in House Resolution 80. This resolution passed the House by an overwhelming bipartisan majority of 407 to 21. If you voted for that resolution, you should support this agreement.

The bill language does not cut off aid to Mexico. It does, however, require the President to provide the information requested in House Resolution 80, prior to the extension of additional aid to Mexico.

Mr. Speaker, I strongly support this conference agreement to provide needed additional funds for our national security, and I urge its adoption.

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

Mr. LIVINGSTON. Mr. Speaker, I yield myself the balance of my time.

Mr. Speaker, I am overwhelmed with the gentleman's remarks.

I would only say, Mr. Speaker, that I think this is an outstanding compromise with the other body.

It meets the emergency needs of our young people in uniform in the armed services. It requires documentation from the White House on the Mexican affair, and it is a good bill.

I urge adoption of H.R. 889.

Mr. COLEMAN. Mr. Speaker, I rise today in support of the conference agreement on H.R. 889, the defense supplemental bill. However, I do so with strong reservations. The conference agreement rescinds a net total of $746 million in fiscal year 1995 and prior years appropriations in order to fund emergency defense and Coast Guard needs and to make additional offsetting reductions.

Mr. Speaker, I support the emergency supplemental appropriations that are required to restore funds spent by the Department of Defense and the Coast Guard in unanticipated peacekeeping operations. In particular, the conference agreement provides the $28.3 million requested by the President to reimburse the Coast Guard for operating expenses associated with extraordinary Caribbean regional activities. I am concerned that the conference committee did not fully fund the supplemental request for the operation and maintenance accounts, the backbone of our Armed Forces.

I also have strong reservations about the $223 million rescission included in the DOD-related section of this bill for the Technology Reinvestment Program [(TRP]. A program such as the TRP is very important to our national security interests. I, and others, feel that the TRP is vitally necessary to our country's future as we position ourselves strategically in the post-Cold War era. The President, Secretary of Defense Perry, Office of Management and Budget Director Rivlin and Fortune 500 corporations oppose the rescission of these funds, which would ensure that commercial firms in this country supply the superior technologies needed to maintain our military advantage.

In addition, I do not support the $775 million rescinded in the bill for important domestic programs. Mr. Speaker, in particular, I take exception to the rescissions of $200 million slated for cutting critical employment and training programs for our Nation's youth, and $100 million to be taken out of programs for our Nation's school children and college students. I am also concerned about the rescission of $6.6 million from the Local Rail Freight Assistance [LRFA] Program, which has a major, beneficial impact on the economy of smaller communities, small businesses and job creation.

In summary, I believe the result of the conference agreement on H.R. 889, while flawed, should be passed so that military readiness is not impaired. I urge my colleagues to vote for the conference report.

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

The SPEAKER pro tempore (Mr. HASTINGS of Washington). Without objection, the previous question is ordered on the conference report.

There was no objection.

The SPEAKER pro tempore. The question is on the conference report.

Pursuant to clause 7 of rule XV, the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 343, nays 80, not voting 11, as follows:

[Roll No. 296]

YEAS—343

Abercrombie
Ackerman
Allard
Andrews
Archer
Armey
Bachus
Baesler
Baker (CA)
Baker (LA)
Baldacci
Ballenger
Barcia
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Beilenson
Bentsen
Bereuter
Berman
Bevill
Bilbray
Bilirakis
Bishop
Bliley
Blute
Boehlert
Boehner
Bonilla
Bonior
Bono
Borski
Boucher
Brewster
Browder
Brown (CA)
Brown (FL)
Brown (OH)
Brownback
Bryant (TN)
Bryant (TX)
Bunn
Bunning
Burr
Buyer
Callahan
Calvert
Camp
Canady
Cardin
Castle
Chabot
Chambliss
Chenoweth
Christensen
Chrysler
Clement
Clinger
Coble
Coleman
Collins (GA)
Combest
Condit
Cooley
Costello
Cox
Cramer
Crane
Crapo
Cremeans
Cubin
Cunningham
Danner
Davis
de la Garza
Deal
DeLauro
DeLay
Deutsch
Diaz-Balart
Dicks
Dingell
Doggett
Dooley
Doolittle
Dornan
Doyle
Dreier
Dunn
Durbin
Edwards
Ehrlich
Emerson
Engel
English
Ensign
Eshoo
Everett
Ewing
Farr
Fawell
Fazio
Fields (TX)
Flake
Flanagan
Foley
Forbes
Ford
Fowler
Fox
Franks (CT)
Frelinghuysen
Frisa
Funderburk
Gallegly
Ganske
Gejdenson
Gekas
Gephardt
Geren
Gibbons
Gilchrest
Gillmor
Gilman
Gonzalez
Goodlatte
Goodling
Gordon
Goss
Greenwood
Gunderson
Hall (OH)
Hall (TX)
Hamilton
Hancock
Hansen
Harman
Hastert
Hastings (WA)
Hayes
Hayworth
Hefley
Hefner
Heineman
Herger
Hilleary
Hobson
Hoke
Horn
Hostettler
Houghton
Hoyer
Hunter
Hutchinson
Hyde
Inglis
Istook
Jackson-Lee
Jacobs
Jefferson
Johnson (CT)
Johnson, E. B.
Jones
Kanjorski
Kaptur
Kelly
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kim
King
Kingston
Kleczka
Klink
Knollenberg
Kolbe
LaFalce
LaHood
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Lewis (CA)
Lewis (KY)
Lightfoot
Linder
Livingston
LoBiondo
Longley
Lowey
Lucas
Maloney
Manton
Manzullo
Markey
Martinez
Martini
Mascara
Matsui
McCarthy
McCollum
McCrery
McDade
McHale
McHugh
McInnis
McKeon
McNulty
Meehan
Meek
Menendez
Metcalf
Meyers
Mfume
Mica
Miller (CA)
Miller (FL)
Molinari
Mollohan
Montgomery
Moorhead
Morella
Murtha
Myers
Myrick
Neal
Nethercutt
Neumann
Ney
Norwood
Nussle
Oberstar
Obey
Olver
Ortiz
Orton
Oxley
Packard
Parker
Paxon
Payne (VA)
Peterson (FL)
Petri
Pickett
Pombo
Pomeroy
Porter
Portman
Poshard
Pryce
Quillen
Quinn
Radanovich
Reed
Regula
Richardson
Riggs
Rivers
Roberts
Roemer
Rogers
Rohrabacher
Ros-Lehtinen
Rose
Roth
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Royce
Sabo
Salmon
Sanford
Sawyer
Saxton
Schaefer
Schiff
Scott
Seastrand
Sensenbrenner
Shadegg
Shaw
Shays
Shuster
Sisisky
Skaggs
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Solomon
Souder
Spence
Spratt
Stearns
Stenholm
Stockman
Stump
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Taylor (MS)
Taylor (NC)
Tejeda
Thomas
Thornberry
Thornton
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Torkildsen
Torricelli
Traficant
Visclosky
Volkmer
Vucanovich
Waldholtz
Walker
Walsh
Wamp
Ward
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Wilson
Wolf
Young (AK)
Young (FL)
Zeliff
Zimmer

NAYS—80

Barrett (WI)
Becerra
Clay
Clayton
Clyburn
Coburn
Collins (IL)
Collins (MI)
Conyers
Coyne
DeFazio
Dellums
Dixon
Duncan
Ehlers
Evans
Fattah
Fields (LA)

Filner	Luther	Schumer
Foglietta	McDermott	Serrano
Frank (MA)	McKinney	Stark
Franks (NJ)	Mineta	Stokes
Furse	Minge	Studds
Graham	Mink	Thompson
Green	Moakley	Torres
Gutierrez	Nadler	Towns
Gutknecht	Owens	Tucker
Hastings (FL)	Pallone	Upton
Hilliard	Pastor	Velazquez
Hoekstra	Payne (NJ)	Vento
Holden	Pelosi	Waters
Johnson (SD)	Peterson (MN)	Watt (NC)
Johnson, Sam	Rahall	Williams
Johnston	Ramstad	Wise
Klug	Rangel	Woolsey
Lewis (GA)	Roybal-Allard	Wyden
Lincoln	Rush	Wynn
Lipinski	Sanders	Yates
Lofgren	Schroeder	

NOT VOTING—11

Burton	Hinchey	Reynolds
Chapman	Kasich	Scarborough
Dickey	McIntosh	Waxman
Frost	Moran	

□ 1213

Mr. WYNN, Mr. CLYBURN, Mrs. CLAYTON, Mr. SCHUMER, Mrs. MINK of Hawaii, and Messrs. COYNE, WISE, MOAKLEY, THOMPSON, and FIELDS of Louisiana changed their vote from ''yea'' to ''nay.''

Mr. BRYANT of Texas, Mr. SHADEGG, and Mrs. THURMAN changed their vote from ''nay'' to ''yea.''

So the conference report was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. BURTON of Indiana. Mr. Speaker, I wish to have the RECORD reflect, immediately after rollcall vote No. 296 on H.R. 889, that I would have voted ''aye'' had I been here. I was across the hall.

PERSONAL EXPLANATION

Mr. SCARBOROUGH. Mr. Speaker, I also wish to have the RECORD reflect that I missed the vote, and had I been here, I would have supported the approval of the conference report on defense supplemental.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Edwin Thomas, one of his secretaries.

□ 1215

PROVIDING FOR CONSIDERATION OF H.R. 660, HOUSING FOR OLDER PERSONS ACT OF 1995

Mr. DIAZ-BALART. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 126 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 126

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. 660) to amend the Fair Housing Act to modify the exemption from certain familial status discrimination prohibitions granted to housing for older persons. The first reading of the bill shall be dispensed with. General debate shall be confined to the bill and shall not exceed one hour equally divided and controlled by the chairman and ranking minority member of the Committee on the Judiciary. After general debate the bill shall be considered for amendment under the five-minute rule. It shall be in order to consider as an original bill for the purpose of amendment under the five-minute rule the amendment in the nature of a substitute recommended by the Committee on the Judiciary now printed in the bill. Each section of the committee amendment in the nature of a substitute 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. Any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the committee amendment in the nature of a substitute. 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 with or without instructions.

The SPEAKER pro tempore (Mr. HASTINGS of Washington). 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 Ohio [Mr. HALL], 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. Speaker, House Resolution 126 is an open rule providing for the consideration of H.R. 660, the Housing for Older Persons Act of 1995 authored by our distinguished colleague from Florida, [Mr. SHAW].

The purpose of this legislation is to clarify the requirements for seniors-only housing by removing the ''significant facilities and services'' requirement for housing for older persons from the Fair Housing Act, 42 U.S.C. 3601–3631. The Fair Housing Act prohibits discrimination against families with children, and as the father of two young boys, I am a strong supporter of the rights of families with children of any age. However, current law also allows for seniors-only housing if it meets certain requirements, including the provision of ''significant facilities and services.'' It is my understanding that compliance with the regulations that the Department of Housing and Urban Development has devised to meet this requirement are often vague and sometimes very expensive to meet.

Mr. Speaker, I would defer to the sponsor of the bill, the gentleman from Florida [Mr. SHAW] and to others, other members of the Committee on the Judiciary and Members who have worked diligently on this legislation, which of course the Committee on the Judiciary reported this bill, to speak to the details, to the bill's merits.

I will speak to the rule with which the Committee on Rules brings this bill to the floor. It is, I believe, an extremely fair rule; it is an open rule. Two amendments were offered by members of the minority in the Committee on the Judiciary, amendments that failed on recorded vote, and there may be other Members of Congress and not on the Committee on the Judiciary that may wish to amend this bill. Under this open rule any Member of Congress, regardless of committee or party affiliation, has the opportunity to offer any germane amendment.

The rule provides for 1 hour of general debate, equally divided and controlled by the chairman and ranking minority member of the Committee on the Judiciary. After general debate, it shall be in order to consider as an original bill for the purpose of amendment under the 5-minute rule the amendment in the nature of a substitute recommended by the Committee on the Judiciary now printed in the bill.

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

Mr. Speaker, House Resolution 126, I believe, is exemplary, it is a totally fair, completely open rule, and I urge its adoption.

THE AMENDMENT PROCESS UNDER SPECIAL RULES REPORTED BY THE RULES COMMITTEE,[1] 103D CONGRESS V. 104TH CONGRESS

[As of April 5, 1995]

Rule type	103d Congress		104th Congress	
	Number of rules	Percent of total	Number of rules	Percent of total
Open/Modified-open[2]	46	44	21	72
Modified Closed[3]	49	47	8	28
Closed[4]	9	9	0	0
Totals:	104	100	29	100

[1] This table applies only to rules which provide for the original consideration of bills, joint resolutions or budget resolutions and which provide for an amendment process. It does not apply to special rules which only waive points of order against appropriations bills which are already privileged and are considered under an open amendment process under House rules.

[2] An open rule is one under which any Member may offer a germane amendment under the five-minute rule. A modified open rule is one under which any Member may offer a germane amendment under the five-minute rule subject only to an overall time limit on the amendment process and/or a requirement that the amendment be preprinted in the Congressional Record.

[3] A modified closed rule is one under which the Rules Committee limits the amendments that may be offered only to those amendments designated in the special rule or the Rules Committee report to accompany it, or which preclude amendments to a particular portion of a bill, even though the rest of the bill may be completely open to amendment.

[4] A closed rule is one under which no amendments may be offered (other than amendments recommended by the committee in reporting the bill).

SPECIAL RULES REPORTED BY THE RULES COMMITTEE, 104TH CONGRESS

[As of April 4, 1995]

H. Res. No. (Date rept.)	Rule type	Bill No.	Subject	Disposition of rule
H. Res. 38 (1/18/95)	O	H.R. 5	Unfunded Mandate Reform	A: 350–71 (1/19/95).
H. Res. 44 (1/24/95)	MC	H. Con. Res. 17	Social Security	A: 255–172 (1/25/95)
		H.J. Res. 1	Balanced Budget Amdt	
H. Res. 51 (1/31/95)	O	H.R. 101	Land Transfer, Taos Pueblo Indians	A: voice vote (2/1/95)
H. Res. 52 (1/31/95)	O	H.R. 400	Land Exchange, Arctic Nat'l. Park and Preserve	A: voice vote (2/1/95)
H. Res. 53 (1/31/95)	O	H.R. 440	Land Conveyance, Butte County, Calif	A: voice vote (2/1/95)
H. Res. 55 (2/1/95)	O	H.R. 2	Line Item Veto	A: voice vote (2/2/95)
H. Res. 60 (2/6/95)	O	H.R. 665	Victim Restitution	A: voice vote (2/7/95)
H. Res. 61 (2/6/95)	O	H.R. 666	Exclusionary Rule Reform	A: voice vote (2/7/95)
H. Res. 63 (2/8/95)	MO	H.R. 667	Violent Criminal Incarceration	A: voice vote (2/9/95)
H. Res. 69 (2/9/95)	O	H.R. 668	Criminal Alien Deportation	A: voice vote (2/10/95)
H. Res. 79 (2/10/95)	MO	H.R. 728	Law Enforcement Block Grants	A: voice vote (2/10/95)
H. Res. 83 (2/13/95)	MO	H.R. 7	National Security Revitalization	PQ: 229–100; A: 227–127 (2/15/95)
H. Res. 88 (2/16/95)	MC	H.R. 831	Health Insurance Deductibility	PQ: 230–191; A: 229–188 (2/21/95)
H. Res. 91 (2/21/95)	O	H.R. 830	Paperwork Reduction Act	A: voice vote (2/22/95)
H. Res. 92 (2/21/95)	MC	H.R. 889	Defense Supplemental	A: 282–144 (2/22/95)
H. Res. 93 (2/22/95)	MO	H.R. 450	Regulatory Transition Act	A: 252–175 (2/23/95)
H. Res. 96 (2/24/95)	MO	H.R. 1022	Risk Assessment	A: 253–165 (2/27/95)
H. Res. 100 (2/27/95)	O	H.R. 926	Regulatory Reform and Relief Act	A: voice vote (2/28/95)
H. Res. 101 (2/28/95)	MO	H.R. 925	Private Property Protection Act	A: 271–151 (3/1/95)
H. Res. 104 (3/3/95)	MO	H.R. 988	Attorney Accountability Act	A: voice vote (3/6/95)
H. Res. 103 (3/3/95)	MO	H.R. 1058	Securities Litigation Reform	
H. Res. 105 (3/6/95)	MO			A: 257–155 (3/7/97)
H. Res. 108 (3/6/95)	Debate	H.R. 956	Product Liability Reform	A: voice vote (3/8/95)
H. Res. 109 (3/8/95)	MC			PQ: 234–191 A: 247–181 (3/9/95)
H. Res. 115 (3/14/95)	MO	H.R. 1158	Making Emergency Supp. Approps	A: 242–190 (3/15/95)
H. Res. 116 (3/15/95)	MC	H.J. Res. 73	Term Limits Const. Amdt	A: voice vote (3/28/95)
H. Res. 117 (3/16/95)	Debate	H.R. 4	Personal Responsibility Act of 1995	A: voice vote (3/21/95)
H. Res. 119 (3/21/95)	MC			A: 217–211 (3/22/95)
H. Res. 125 (4/3/95)	O	H.R. 1271	Family Privacy Protection Act	A: 423–1 (4/4/95)
H. Res. 126 (4/3/95)	O	H.R. 660	Older Persons Housing Act	
H. Res. 128 (4/4/95)	MC	H.R. 1215	Contract With America Tax Relief Act of 1995	A: 228–204 (4/5/95)
H. Res. 130 (4/5/95)	MC	H.R. 483	Medicare Select Expansion	

Codes: O-open rule; MO-modified open rule; MC-modified closed rule; C-closed rule; A-adoption vote; PQ-previous question vote. Source: Notices of Action Taken, Committee on Rules, 104th Congress.

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

Mr. HALL of Ohio. Mr. Speaker, I yield myself such time as I may consume.

(Mr. HALL of Ohio asked and was given permission to revise and extend his remarks.)

Mr. HALL of Ohio. Mr. Speaker, I would like to commend my colleague, the gentleman from Florida [Mr. DIAZ-BALART], as well as my colleagues on the other side of the aisle for bringing this resolution to the floor. House Resolution 126 is an open rule which will allow full and fair debate on the important issue of housing for older Americans. As the gentleman from Florida has described, this rule allows 1 hour of general debate. It makes in order the Judiciary Committee amendment in the nature of a substitute as an original bill for the purpose of amendment. Under the rule, germane amendments will be allowed under the 5-minute rule, the normal amending process in the House of Representatives. I am pleased that the Rules Committee was able to report this rule without opposition, and I plan to support it.

Although this rule is open, I do have some questions about the bill itself. In passing the Fair Housing Amendments of 1988, the Congress protected families living with children against discrimination. At the same time, Congress did recognize the particular needs of older people to live among their peers in age restricted communities. This was a correct policy in my view. However, by changing the requirements for senior housing now, I want to make sure that we are not shutting out families, who are struggling to make ends meet, from obtaining affordable housing.

According to the Justice Department, under this bill more than half the persons living in a facility designated as ''housing for older persons'' could be younger than 55 and that facility would not be required to provide any significant services for seniors. Yet, such a facility could be exempt from the Fair Housing Act. Fortunately, the rule we have before us today will allow amendments to this measure, and I sincerely hope the bill can be improved.

As I indicated before, I support this open rule and I urge my colleagues to join me in supporting it.

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

Mr. DIAZ-BALART. Mr. Speaker, we have four speakers who have asked to address the House. I will begin by yielding 2½ minutes to the distinguished gentleman from Florida [Mr. GOSS], a member of the Committee on Rules.

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

Mr. GOSS. Mr. Speaker, I thank the distinguished gentleman from Florida [Mr. DIAZ-BALART], my colleague and close friend, for yielding me this time, and I parenthetically say it is a great pleasure having a gentleman of his esteemed distinction and knowledge serving on the Committee on Rules. The fact that he is from Florida also is an extra blessing. I certainly welcome the opportunity to speak in favor of this wide-open rule on a bill that I hope will have very broad bipartisan support.

As my colleagues know, much has been said about the Contract With America and just which is the crown jewel of that contract, and my colleague from the southwest coast of Florida [Mr. MILLER], and myself from the southwest coast of Florida believe this probably is the crown jewel of the Contract With America; at least in my district it is in close competition because this legislation makes good on yet another promise we made in the Contract With America, and I have also got to point out another Floridian who had an important part of this, and I commend him as a prime sponsor of this bill, the gentleman from Florida, Mr. SHAW, my colleague who has actually been an initiator and put in a lot of hard work, and it is his persistence which brought this to a successful close today.

I think it is important to remember how we got back into this situation, and it is not a great track record. What happened is back in 1988 Congress unintentionally tried to do the right thing when it rightfully sought to exempt bona fide senior citizen communities from a bill to prohibit discrimination against families with children. Congress did have the right idea, but the administrative agency charged with implementing that idea sort of missed the mark. The result was a great deal of unnecessary, I think, unfair anxiety, upset, costly legal headaches for older Americans seeking to live in designated senior retirement communities. This Congress has not wavered on its commitment to assisting our older Americans in their effort to live out their golden years in communities with their peers, places where their special needs can be met. I know our country's grandparents, I think, because I am one, too. I believe our grandparents like to maintain active life styles, complete with frequent visits by their children, grandchildren,

and great-grandchildren, and I do not have any of those yet; I hope I will someday. I understand and I respect the wishes of many seniors to join together in communities designed and specifically maintained for people over 55. After several false starts, the administration seems to have caught on to the problem with earlier application of the 1988 law, and we are grateful that finally we have some much-improved rules from HUD, but still it is clear the bureaucracy has not been able to put the problem to rest on its own, and that is why the legislative fix is important.

So, I urge my colleagues to join in this support for H.R. 660 and this very wonderful rule we have to bring it to the floor.

Mr. DIAZ-BALART. Mr. Speaker, I yield 4 minutes to the distinguished gentleman from California [Mr. CUNNINGHAM].

Mr. CUNNINGHAM. Mr. Speaker, I rise in strong support of H.R. 660, the Housing for Older Persons Act of 1995.

Sometimes, Mr. Speaker, Congress passes laws which have unintended consequences. The Fair Housing Act of 1988 is one of those instances. This landmark legislation has laudable goals of eliminating discrimination in housing. Unfortunately the bill also contains provisions which have had a damaging and harming effect to our chronologically gifted seniors. This has been particularly apparent in San Diego.

Let me tell my colleagues the problems. When the law was enacted, first of all, that in one specific area, and that is the mobile home residents, we had a law enacted that changed the tax rate from going from DMV for mobile homes to property taxes. When that happened, it caused many of the mobile home parks to shut down. There was nowhere else to go, unlimited access to it, and then with the Fair Housing Act, it mandated that they get certain special facilities, medical facilities and others, to the chronologically gifted. In some cases those costs were passed on to our seniors, and in some cases the owners actually made a profit on those services.

Now most of these chronologically gifted folks in the mobile home parks are on a fixed income, and they could not pay the additional costs. It seemed like every time their Social Security increased, they would also get a rent raise. They could not move, and then these extra facilities were put on, and they could not meet it. The mobile home owners would say, ''Okay, move,'' and of course there was no other parks to move to because of the previous law also, so catch-22.

Mayor Thibadow of San Marcos, a city councilman, Corby Smith, and Jerry Linhart who worked with the mobile home people came to me 4 years ago with this, and that is why I laud the gentleman for bringing this bill up.

□ 1230

Even Secretary of HUD Jack Kemp wrote letters and tried to establish the policies. We have not been able to do that before this time. So I would like to thank the gentleman on the other side of the aisle as well as the Members on this side for finally being able to correct a provision that is harmful to chronologically gifted folks.

This is a good bill. It is a bill that protects, as I never use the term senior citizens, the chronologically gifted of our society, and it was one that, and it was not the intent of an original bill, hurt those folks, and we can ill afford to do it. This is government at its best.

From senior citizens going to a city council and a mayor, to coming to the Federal Government for resolutions, it has taken a long time. But again I would like to thank the chairman and CLAY SHAW for bringing this up and the Committee on the Judiciary for acting on it.

Mr. DIAZ-BALART. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from Wisconsin [Mr. ROTH].

Mr. ROTH. Mr. Speaker, I thank my friend from Florida for yielding me this time. I am in strong support of this rule and this legislation. When we signed the Contract With America, one of the underlying principles of the Contract With America was that we are going to restore some common sense to our Government again. And this precisely is an area where it is needed.

The agency has now come and told senior citizens some of these areas what kind of bingo they have to have, how many ping-pong tables they have to have. It is absurd regulations.

I applaud the gentleman from Florida, Mr. SHAW, for introducing this legislation, and also another Member, one of our colleagues, DAN MILLER from Florida, for the excellent ''Dear Colleague'' he sent to all of us regarding this legislation. I thought it was very well done.

What this legislation is going to do is going to clarify the congressional intent relating to the Fair Housing Act of 1988. The 1988 law does prohibit discrimination against families and children, but it also has an exemption. It exempts healthy seniors. It exempts senior citizens who want to live in a unit where they can have relative peace and quiet.

The way it has been interpreted by the departments has been totally unworkable. The 1988 legislation has been interpreted in such a way that it is unclear, unworkable, and very costly. It is, I think, an example of what happens when government runs amuck, and this is a precise example of that.

The passage of this bill will finally set forth once and for all a clear and workable and fair exemption that will ensure that these housing facilities that are intended for older persons qualify and remain as housing for our older citizens.

Basically the nub of this bill is this: Under this bill, if a community can prove that 80 percent of its units have one or more occupants aged 55 or older, then it passes the adult only housing test and qualifies for the exemption. That is precisely what we are doing here, is redefining, clarifying, what the 1988 law was to have done.

We need senior communities. But what has happened is that these senior communities have been harassed by lawsuits. The significant facilities and services test has been completely misinterpreted. It has made senior housing unafforadable, it has driven the cost up on it, and many low and fixed income seniors have had to suffer because of this.

The other point I want to make is this, is that this bill is going to protect the realtors. Relators and community boards have been harassed because of this legislation. Basically we have got too many people working in our departments here in Washington and for the Federal Government, and they are just looking for things to do. So they are out harassing realtors and community boards. What we are doing with this legislation is this bill protects the relators and the members of the community boards who act in good faith—that is precisely what the law should do—from liability and monetary damages and lawsuits arising out of senior only provisions. There have been numerous lawsuits against realtors and directors of housing boards, and most of whom were just trying to meet this vague exemption for senior housing.

So I applaud the gentleman from Florida, the Committee on Rules, and every one who has been involved in this, because this is certainly an area that needs clarification, and finally today we are going to do that.

Mr. DIAZ-BALART. Mr. Speaker, I yield 5 minutes to the gentleman from Florida [Mr. MILLER], who, along with the sponsor, the gentleman fro Florida [Mr. SHAW], has worked extremely hard and very diligently on this legislation.

Mr. MILLER of Florida. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I am proud to be able to stand here today to offer my strong support for the Housing for Older Americans Act, H.R. 660, which we will be voting on very shortly. This is a very important piece of legislation. As my colleague the gentleman from Florida [Mr. GOSS], said, to many people in our districts down in southwest Florida, this is the crown jewel of the contract, in addition to the tax bill and reductions we offered last night.

This is the final part of the Contract With America. I would like to think of it now as the granddaddy of the Contract With America since we are going to conclude the contract with this very important issue.

It is not that important to many Members of the Congress because they do not have as many seniors as I have. I have the largest number of seniors of any congressional district in the country, and many of them move to my area to live until senior-only housing,

especially mobile home parks. And it is a special way of life. That is the reason they move to this area of Florida, is to live with their peers,

You have to be in a senior-only housing project to get a better idea of what it means to them. Mobile homes are close to each other, they share so much of their lives together as they get older. They can rely only on their neighbors to provide transportation. They have activities and programs specifically to their needs. They want to preserve this way of life. It is very, very important. And that is the reason I feel very strongly that we need to pass this legislation.

The election last year was a message to Congress and Washington to stop trying to micromanage our lives. And this is one of the many things that shows that they are trying to micromanage our lives.

I am very familiar with this issue. My grandparents moved to Florida back in the 1940's to live in a trailer park, the Bradenton Trailer Park they moved into in 1947 or so. I saw them mature and finish and retire and stay in that mobile home park. They retired to that mobile home park. It was a trailer park in those days. But it was a way of life that was very important in their final years of their lives. So it means so much to so many people in my district.

But the problem was in the 1988 legislation, when they put in legislation where they have the words significant and specific, that is significant facilities and services that are specifically designed, that is a dream word to the bureaucrats and lawyers here in Washington, to be able to define what is significant and what is specific. And they had a grand old time doing it.

Last summer, last July, they came out with 60 pages of regulations to interpret this one sentence. They had hearings. I have to commend HUD, they went around the country to hold hearings. They had one in Tampa. They had almost 3,000 people at this hearing in Tampa that I attended, and the gentleman from Florida [Mr. CANADY] was present there, and they started explaining about congregate meals and all these expensive things that is going to make these senior-only facilities not capable of maintaining and following the regulations. It was a disaster, and actually they realized it.

So when Assistant Secretary Altenberg came to the area, she actually saw these mobile home parks and said, ''Golly, I didn't realize what it means to be in these senior-only programs.'' So they came back and changed them.

So I commend HUD for doing that, and I commend my colleague the gentleman from Florida [Mr. STERNS], for being on top of this issue and encouraging HUD to get manageable, understandable, and livable regulations.

But they came back and they changed the regulations and just issued them a few weeks ago, and it is much better, a big improvement. But it is still micro-management and getting into the affairs and lives of our senior citizens, and it is wrong. Fortunately, this was included in our Contract With America, and I thank my colleagues on the Republican side for including it in the contract. There is wide bipartisan support here in the House of Representatives.

Unfortunately, the administration just does not get it yet. At a Committee on the Budget meeting recently, Secretary Cisneros was trying to defend why we need to have these regulations. They just do not get it yet. The AARP just 2 weeks ago finally got the message and came over to support the Clay-Shaw bill that we are going to be voting on shortly. Thank goodness we have got it this far. At least we have the AARP to say hey, the election last November meant something.

So I am glad to say we are keeping our promises, we are going to vote to approve this, we are going to get Washington out of the lives of our senior citizens back in senior communities, and we are going to let seniors go on and enjoy their retirement years in these senior communities.

Mr. Chairman, I urge my colleagues to support H.R. 660.

Mr. DIAZ-BALART. Mr. Speaker, I yield 2 minutes to a distinguished new Member, the gentlewoman from Washington [Mrs. SMITH].

Mrs. SMITH of Washington. Mr. Speaker, I thank the gentleman so much for this time.

Mr. Speaker, I realized that so much of what I thought I would have to come do when I got here, others were starting to work on before I got here, and it was really nice to find that out. When I was first deciding to run, I was a write-in candidate, one of the first issues that hit me in this Pennsylvania barrage was the elderly in my community. We have a lot of those folks that live in mobile home parks, and they had received 60 pages of proposed regulations to micro-manage their lives and how their parks were going to be managed. And they said we are going to elect you to send you back there to do something, because this is government at its worse. Not only that, if we do all of these costly things they want to our mobile home park, it will cost us so much money, and most of us are on fixed incomes. Can you not get those people back there to stop doing this to us?

I thought, is that not interesting? They did not really believe government was doing it for them. They felt government was doing it to them. Then I got here and thought it is getting better. They have backed off a little bit. They revisited the regulations.

Then I just looked through the new regulations. The new regulations are just cousins of the old regulations. They might think they are better, but they are really not. And it comes to this: If this place does not tell the bureaucracies how to operate, they will operate on their own, and they will take away freedoms from people. They will micro-manage their life. Bureaucracy always does. It will raise the cost of senior citizen housing by their meddling.

So this is a great bill. I am real thankful for it. It is nice to know we all do not have to work on everything, that this effort went on before, and I want to thank those that worked on it.

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

Mr. DIAZ-BALART. Mr. Speaker, I have no further requests for time, I yield back the balance of my time, and I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

ANNUAL REPORT OF THE NATIONAL ENDOWMENT FOR THE ARTS FOR FISCAL YEAR 1993—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Economic and Educational Opportunities:

To the Congress of the United States:

It is my special pleasure to transmit herewith the Annual Report of the National Endowment for the Arts for the fiscal year 1993.

The National Endowment for the Arts has awarded over 100,000 grants since 1965 for arts projects that touch every community in the Nation. Through its grants to individual artists, the agency has helped to launch and sustain the voice and grace of a generation—such as the brilliance of Rita Dove, now the U.S. Poet Laureate, or the daring of dancer Arthur Mitchell. Through its grants to art organizations, it has helped invigorate community arts centers and museums, preserve our folk heritage, and advance the performing, literary, and visual arts.

Since its inception, the Arts endowment has believed that all children should have an education in the arts. Over the past few years, the agency has worked hard to include the arts in our national education reform movement. Today, the arts are helping to lead the way in renewing American schools.

I have seen first-hand the success story of this small agency. In my home State of Arkansas, the National Endowment for the Arts worked in partnership with the State arts agency and the private sector to bring artists into our schools, to help cities revive downtown centers, and to support opera and jazz, literature and music. All across

the United States, the Endowment invests in our cultural institutions and artists. People in communities small and large in every State have greater opportunities to participate and enjoy the arts. We all benefit from this increased arts presence, and yet the cost is just 65 cents per American. The payback in economic terms has always been several-fold. The payback in human benefit is incalculable.

WILLIAM J. CLINTON.

THE WHITE HOUSE, *April 6, 1995.*

□ 1245

HOUSING FOR OLDER PERSONS ACT OF 1995

The SPEAKER pro tempore (Mr. HASTINGS of Washington). Pursuant to House Resolution 126 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 660.

□ 1245

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. 660) to amend the Fair Housing Act to modify the exemption from certain familial status discrimination prohibitions granted to housing for older persons, with Mr. DUNCAN 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 Florida [Mr. CANADY] will be recognized for 30 minutes, and the gentleman from Michigan [Mr. CONYERS] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Florida [Mr. CANADY].

Mr. CANADY of Florida. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, H.R. 660 corrects a serious problem by amending the Fair Housing Act to remove the significant facilities and services requirement for seniors-only housing. Under H.R. 660, if a community can show that 80 percent of its units have one or more occupants aged 55 or older, and meets certain other requirements, it will pass the housing for older persons test.

When Congress amended the Fair Housing Act in 1988, it broadened the coverage of the act to prohibit discrimination against families with children. In covering discrimination based on familial status, Congress recognized the need to respect the desires of some older people to live among their peers in age-restricted communities and crafted an exemption for senior citizens communities.

The Fair Housing Act defines ''housing for older persons'' as housing that is occupied by persons 62 years of age or older or housing that is intended for occupancy by persons 55 years of age or older where there are ''significant facilities and services specifically designed to meet the physical or social needs of older persons.''

Unfortunately, this exemption has been narrowly construed and does not offer the protection to the elderly intended by Congress in passing the 1988 amendments. Consequently, legislation is necessary to establish a workable and fair exemption to protect senior citizens who wish to live in retirement communities.

The meaning of ''significant facilities and services'' has been a source of great confusion and controversy since passage of the act. Lack of clear guidelines have made it difficult for senior's communities to qualify for the exemption. In addition, seniors with low or fixed incomes are often unable to afford the amenities which might be sufficient to qualify for the exemption.

The American Association of Retired Persons, which supports H.R. 660, recently issued a report which states that there has been no ''successful defense of a claim of exemption for housing for older person among the cases receiving judicial review.'' This makes it clear beyond any doubt that the existing statutory provisions have been inadequate to realize the original good of the Congress.

Initially, HUD issued regulations which provided little guidance to legitimate seniors' communities seeking to avail themselves of the statutory exemption for seniors communities. The Housing and Community Development Act of 1992 required HUD to issue a revised rule defining ''significant facilities and services.'' On July 7, 1994, HUD issued proposed rules to define the meaning of this language.

After hearing from several thousand senior citizens in a series of public hearings, Assistant Secretary Achtenberg announced on November 30, 1994, that HUD was withdrawing the proposed regulations for seniors-only housing. HUD recently released new regulations for comment which establish a broad checklist of potential services and facilities, and allow self-certification by communities that they are eligible for the exemption.

While these new regulations are a step in the right direction, significant uncertainties remain. Despite the good faith efforts of HUD to provide reasonable guidance, it has become clear that the only way to finally solve this problem is for Congress to take action.

The heart of the legislation, section 2, amends the Fair Housing Act to remove the significant facilities and services requirement. The major inquiry that H.R. 660 requires in order to determine whether a facility or community qualifies for housing for older persons is whether, in fact, the community is comprised of individuals 55 years of age or older. This section also requires the housing facility or community to publish and adhere to policies and procedures demonstrating the intent to provide housing for occupancy by the 55 and over age group at an 80-percent level.

Section 3 of the bill creates a defense against the imposition of money damages for compliance where a person has relied in good faith on the application of the exemption relating to housing for older persons. This section allows an individual to raise a defense which may prevent the imposition of money damages, where he or she relies, in good faith, on the existence of an exemption for housing for older persons and it is later found that the exemption did not apply.

H.R. 660 will bring needed relief to thousands of senior citizens who live in fear that they will be sued for violating the Fair Housing Act because they are living in a facility or community that is designated as seniors-only. It will relieve their fear that their exemption will be taken from them and they will lose the right to live among other older adults in an age-restricted community.

This legislation strikes a reasonable compromise—protecting the rights of families with children and the security and peace of mind of senior citizens.

I want to thank my colleague, the gentleman from Florida, [Mr. SHAW] for his leadership on this issue. He has diligently pursued this matter for a number of years. Without his hard work, this legislation would not have moved forward.

I also want to thank the gentleman from Massachusetts [Mr. FRANK] for his support in moving this legislation to the floor.

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

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

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

Mr. CONYERS. Mr. Chairman, today's housing for older persons amendment to the Fair Housing Act provides a true measure of relief for those moderate- and low-income senior citizens who have convinced us that some of the compliance requirements of the current Fair Housing Act are too onerous.

In this connection, I join with the American Association of Retired Persons in support of this amendment, which eliminates the burdensome significant facilities requirement that senior communities currently have to demonstrate that they have available to be considered seniors-only housing.

I would be remiss if I did not state explicitly that I give pause before I support any change in civil rights laws which weakens that kind of a law in any way, but in this narrow case, I believe in the careful balance which the Fair Housing Act must strike between the legitimate interests of our seniors to maintain age-specific communities for themselves and against the need of families to find decent housing, in 1988, this Congress struck the balance a little too harshly against seniors. And all

we have done in this bill is make a modest adjustment.

The only concern that I had about a provision in this bill which permits a good faith defense against liability for monetary damages in housing discrimination lawsuits prompted me to offer an amendment unsuccessfully to delete the defense from the bill. I did not succeed in that effort, but I was satisfied with the considerable narrowing of the defense that the Committee on the Judiciary adopted, mainly because of the efforts extended by the gentleman from Massachusetts, the ranking minority member of this committee.

So we have an improvement, and the Department of Housing and Urban Development has done a good job of promulgating regulations which clarify the significant facilities requirement as they were required to do in 1988 and again in 1992.

The statutory requirement of the significant facilities remains too expensive, too onerous for many of our senior, moderate- and low-income housing communities. It is for that reason that I urge support for this amendment.

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

Mr. CANADY of Florida. Mr. Chairman, I yield 5 minutes and 30 seconds to the gentleman from Florida [Mr. SHAW], the sponsor of this legislation.

Mr. SHAW. Mr. Chairman, I thank the gentleman for yielding time to me. I also thank him for his leadership in getting this to the House, and I thank the gentleman from Michigan [Mr. CONYERS], the ranking minority member. I also want to recognize the gentleman from Massachusetts [Mr. FRANK], who had a hearing on this last year, when he was chairing the committee, and made a commitment at that time that this would come back to the floor, which the new majority has honored. So I very much appreciate this. It is a bipartisan piece of legislation, and it is one that I think is well thought out. And I think it is very protective of the rights of families and of children.

In 1988, Congress passed the Fair Housing Amendments Act of 1988, which attempted to bar discrimination based on familial status. The 1988 act tried to provide an adequate exemption for those housing communities or developments intended as senior or retirement communities. Up until then, States regulated senior housing through State legislation.

The 1988 act requires communities that qualify as senior housing under the provision, to quote from the rule, that ''at least 80 percent of the households have in residence at least one person 55 years of age or older,'' and to provide ''significant facilities and services designed to meet the needs of older persons.'' Significant facilities is currently the most problematic requirement for exemption from the familial status provision. Seniors' communities throughout the country have been faced with a barrage of lawsuits challenging their qualifications under this provision. This litigation is costly and burdensome to the communities and unwelcome to the seniors who reside in them. No seniors community which has been challenged in court has ever retained its exemption.

The Housing and Community Development Act of 1992 required HUD to issue a revised rule defining the term ''significant facilities.'' On July 7, 1994, HUD issued proposed regulations to define the meaning of ''significant facilities.'' On November 30, 1994, HUD withdrew the proposed regulations. Once again, HUD has attempted to provide a rule to define ''significant facilities'' and has released new regulations. Unfortunately, as drafted, the new rules will impose expensive and unnecessary burdens on seniors-only housing communities. For example, a provision that requires a staff member assigned to read to the elderly.

H.R. 660 will make it easier for adult communities to satisfy the Fair Housing regulations. The bill would repeal the ''significant facilities and services'' requirement that is one of the troublesome and unreasonable tests seniors' communities have had to meet to qualify for an exemption from the 1988 Fair Housing Act.

Under this bill, if a community publicly states and can prove that 80 percent of its units have one or more occupants aged 55 or older and shows an intent to serve the 55 and older population through its advertising, rules and regulations, it passes the adults-only housing test. These two tests are sufficient to protect families with children against discrimination.

I want to be perfectly clear on what I am not trying to do. I am not repealing the protection for persons discriminated against based on familial status, but merely trying to establish communities around the country. The Fair Housing Amendments Act recognized that senior have a right to live in bona fide retirement communities if they choose. It is time the legal language reflects that worthy goal.

I believe, however, that these most recent guidelines are vague and still fail to provide a reasonable certainty of compliance for senior communities that attempt to comply with the 1988 act.

I believe older Americans deserve to have the senior-only housing option preserved. The should not be required to add requirements of communal and rehabilitative services that are not appropriate to the active lifestyle of some senior-only communities.

The elimination of the significant facilities from the 1988 act is of vital concern to seniors throughout Florida and indeed throughout the country. It is vital to every apartment building, every condominium association and every homeowners' association that wishes to retain the senior-only status. I have heard from and continue to hear from hundreds of my constituents about this issue. I continue to receive calls from other States as well, so this is definitely not a problem unique to Florida.

Let's take this opportunity today to provide peace of mind for senior citizens in 55 and older communities by passing H.R. 660. Let's provide assurances that they can continue to live in their 55 and older retirement communities without having to pay for expensive facilities and services they don't want and don't need. Let us pass this final portion of the Contract With America which responds to the outcry from senior citizens on this issue from every corner of the country.

□ 1300

Mr. CONYERS. Mr. Chairman, the name of the gentleman from Massachusetts, BARNEY FRANK, has been mentioned many times already in this debate.

I yield such time as he may consume to the gentleman from Massachusetts [Mr. FRANK].

Mr. FRANK of Massachusetts. Mr. Chairman, I feel a little bit like the character in the Moliere play who learned that he was speaking prose all his life without knowing it. I find that I am here advocating a part of the contract. That is not a posture I have previously found myself in very often. I did not know that this was part of the contract. It just goes to show that even a stopped clock can be right twice a day.

This is an important piece of legislation. What we did in 1988 was, sensibly, to try to protect children, families with children against discrimination. As the gentleman from Florida [Mr. SHAW], who is the author of this pointed out, this in no way weakens or repeals that substantive legislation.

What we are dealing with here is basically how you establish a certain fact. We recognize, first, that the general principle should be that you do not discriminate against families with children in the sale or rental of housing.

Second, we did not mean that this ruled out the ability to create a community of people who were older. Older people, like the rest of us, differ in their tastes and preferences. Some of them want to live just like everybody else. Others, by the time they reach a certain age, do not ever want to hear another ball bouncing against a wall, they do not want to be awakened by music they do not understand at midnight. They want to be able to get up at 6 o'clock in the morning and not worry about waking up other people. People's patterns in life can change.

Congress sensibly said in 1988, and President Reagan agreed, let us have a protection for children, but let us also say that we can have a separate situation for older people only. To define that, people put in at the time, trying to prevent abuse, a requirement that you had to have special facilities for the elderly. That is wrong, I think now, for a couple of reasons.

First of all, it suggests that if the average age in a place is in the sixties, that automatically means that they are people who cannot get around very well, that they need special facilities. There are communities of people in their sixties and seventies and eighties who do not need any special facilities. Some do, some do not.

Beyond that, and this is where I have found this to be a problem, it is especially a burden on people who live in manufactured housing. In the district I represent, there are a number of very attractive communities of older people in manufactured housing, people living in separate units. They may have one building which is kind of a community room, but they do not have the kind of facilities that you might find in a high-rise building. They have found themselves at a disadvantage.

It is to the credit of Assistant Secretary Roberta Achtenberg at HUD that, given this set of rules, she has shown a great deal of flexibility and understanding in interpreting them. She had one proposal which people pointed out was problematic, and she withdrew it, as has been noted, and she deserves credit for that.

She then came out with a second proposal. I agree with the gentleman from Florida, her second proposal was a considerable improvement. Indeed, I believe that given the framework of the statute, it was about as good as it could be. Therefore, it is not a criticism of her that we have said ''You have done a pretty good job of trying to be flexible within the statute, but there is a problem with the statute itself.

That is what this is here to amend. Therefore, we should be very clear, this is not a repeal of the protection for children, this is not any weakening of the substantive rules. It does remove one piece of evidence that you have to have to qualify for an exemption in the law. which remains essentially unchanged.

Finally, I want to note, and I appreciate the good words of the gentleman from Michigan [Mr. CONYERS] about my efforts, the original bill as it came forward or as it came to committee had some language which we thought was too broad in terms of a good faith effort.

What we do here is to say if you are an individual citizen, you are not going to be held to a very high, sophisticated standard in terms of dollars, but if you are a real estate professional, we can hold you to a somewhat higher standard, so we put real estate professionals on notice that they have to be fully cognizant of the facts. If they are not cognizant of the facts and are found to have been deceptive, they might pay a penalty, but that does not apply to individuals.

I think it is a very reasonable piece of legislation, and I thank the gentleman from Florida and others for letting us bring it forward.

Mr. CANADY of Florida. Mr. Chairman, I yield 4 minutes to the gentleman from Illinois [Mr. HYDE], chairman of the Committee on the Judiciary.

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

Mr. HYDE. Mr. Chairman, I thank the gentleman for yielding time to me.

Mr. Chairman, I want to express my support for this important legislation, which injects some commonsense changes into the Federal fair housing law. I want to congratulate the chairman of the Subcommittee on the Constitution of the Committee on Judiciary, the gentleman from Florida, Mr. CHARLES CANADY, and his chief counsel, Kathryn Hazeem, as well as the ranking member of the Subcommittee on the Constitution, the gentleman from Massachusetts, Mr. FRANK, and his chief counsel, Robert Raben; in addition, the gentleman from Michigan, Mr. CONYERS, JOHN CONYERS, the ranking minority member of the Committee on the Judiciary, for their very supportive conduct on this bill.

It has pretty much all been said, and I do not want to repeat it, but I ought to mention that this legislation will protect innocent real estate agents and condominium board Members against personal liability for money damages stemming from this seniors only provision if they have acted in good faith.

The American Association of Retired Persons strongly supports enactment of H.R. 660 as a means of providing needed clarity in the law.

Housing discrimination should not be tolerated in our society, but there have been numerous instances where implementation and administration of the fair housing law has prompted unnecessary confusion and strife. This bill is a step toward fairness, accommodation, and common sense for senior citizens and the communities where they live. I certainly urge an ''aye'' vote.

Mr. CONYERS. Mr. Chairman, I am pleased to yield 5 minutes to the gentlewoman from Florida [Mrs. THURMAN]

Mrs. THURMAN. Mr. Chairman, I thank the gentleman for yielding time to me.

Mr. Chairman, it sounds like there is a Florida day today out here on the floor. I have to tell the Members, this piece of legislation has really created in our State some, obviously, notoriety here, because it has been an issue that we have heard about for a couple of years now.

I am just delighted that the House is going to consider the necessary changes in the Fair Housing Act. I want to, along with my other colleagues, congratulate the gentleman from Florida [Mr. SHAW] for bringing this legislation forward, not only this year but also last year.

I want to thank the gentleman from Massachusetts [Mr. FRANK] for having the hearing last year and setting part of this stage so we could move in this year to consider this legislation before the House.

Mr. Chairman, I think it is also appropriate to say that this is a Florida delegation-sponsored piece of legislation in a bipartisan spirit, and again, and I cannot tell the members how important it is to our seniors in our State. It is just so important.

We have talked about that ever since the 1988 amendments to the Fair Housing Act were signed into law there has been confusion and controversy that have surrounded the definition of ''significant facilities and services'' in senior citizen housing. The provision would require senior communities to provide these facilities and services designed to meet the special needs of senior citizens.

In a footnote here, I have to tell the Members, I will invite any Member down to my district, and I can assure them that some of these things are not necessary. Some of them have more spirit and more drive than many of us sitting in Congress today, and they are out dancing and doing the kinds of things that we like to see people enjoy in their years as they get a little older.

However, the Department of Housing and Urban Development proposed this rule on this definition, and they first published it last year, which only added to the problem. Then HUD came in, to their credit, and held public hearings. They had one in the State of Florida in Tampa.

I have to tell the Members, hundreds of my constituents drove to Tampa to be heard on this important issue. I think when they came back and once they saw some of the activity that took place, they felt like they had been heard.

At the same time, Mr. Chairman, what we have heard today is that there are sometimes things that cannot just be corrected through a rule or regulation, that we really do have to make changes in the law, which is what I think we are here today for, is to make sure that the changes that are made protect this, and so HUD can go about what they intended to do in their rule recently, and that is give them the tools to do this correctly.

Again, I just want to add my support, and hope that my colleagues on this side will support H.R. 660.

Mr. CANADY of Florida. Mr. Chairman, I yield 2 minutes to the gentleman from Florida [Mr. WELDON].

Mr. WELDON of Florida. Mr. Chairman, I thank the gentleman for yielding time to me.

Mr. Chairman, I rise in support of H.R. 660, the Housing for Older Persons Act. Stop bureaucrats down at the Department of Housing and Urban Development from harassing those who live in seniors-only housing.

Mr. Chairman, this is a very important issue for older Americans in my district. They should have the opportunity to live with other friends and neighbors which are sharing in the

same life experiences of retirement in the type of community they choose.

In 1990, the Congress passed amendments to the Fair Housing Act intended to protect seniors-only housing from familial status lawsuits. However, bureaucrats down at the Department of Housing and Urban Development, appointed by President Clinton, are not allowing these Americans to follow the law. There is a nebulous requirement that seniors housing include significant facilities and services. HUD has given this term an ominous and expensive definition, that costs thousands of dollars for seniors-only housing in my district.

A clear example of how the Federal Government has wreaked havoc in housing for older persons took place in my own home State. Late last year, seniors at the Windmill Pointe Village Club Association of Orlando, FL, were forced to pay more than $440,000 in damages and penalties for practicing familial discrimination.

Mr. Chairman, mandating such services as illustrated in the latest regulations issued by HUD will require housing complex owners to double, triple or quadruple rents in mobile home parks or housing complexes. Unless the House of Representatives acts on this bill, the potential of high rents could effectively ban low- and moderate-income elderly from seniors-only housing.

Mr. Chairman, I urge my colleagues to vote for this bill and end this attack on our seniors.

Mr. CONYERS. Mr. Chairman, I yield back the balance of my time.

Mr. CANADY of Florida. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, the record on passage of the Fair Housing Act Amendments of 1988 is clear—Congress specifically recognized the need to protect housing for older persons as a valuable resource for the elderly. Unfortunately, the record is equally clear that the statutory exemption that we crafted requiring significant facilities and services is not working. No community which has been challenged in court has ever retained its exemption. The significant facilities and services requirement imposes expensive and unnecessary requirements on communities seeking an exemption. Seniors communities across the country live in fear that they will have their exemption revoked—or worse—that they will have to use the precious dollars that they have set aside for their retirement to defend themselves in a lawsuit in which they face the unlimited resources and legal firepower of the Federal Government.

The most recent rulemaking by HUD marks the third time that the executive branch has tried to issue regulations to give clear guidance without imposing expensive and burdensome requirements. I think Assistant Secretary Achtenberg has made an admirable effort in attempting to craft flexible regulations, but no amount of rulemaking can save a flawed statute. The best recourse available to us is to amend the law and stop the intimidation of senior citizens—especially those with fixed and low incomes—who can neither afford the expense of significant facilities and services nor lawsuits to defend their right to live their retirement years in peace and security.

Mr. Chairman, I yield 4 minutes to the gentleman from Florida [Mr. STEARNS].

□ 1315

Mr. STEARNS. I thank my colleague for yielding me the time.

Mr. Chairman, I rise today in strong support of H.R. 660, the Housing for Older Persons Act. I wish to thank my good friend and colleague the gentleman from Florida, CLAY SHAW, for his work on this issue. His efforts on behalf of the seniors of this country are commendable. I also want to recognize the chairman of the full committee, Chairman HYDE, and the chairman of the subcommittee, another Florida colleague, Chairman CANADY, both of whom have been instrumental in the fight for fairness for seniors.

The Fair Housing Act of 1988 created a burdensome and intrusive regulation regarding seniors-only housing. The significant facilities and services language has caused far too many problems for the seniors of our country. As you all know, I have worked on this issue since I came to Congress 7 years ago. In 1992, I amended section 919 of the Housing and Community Development Act, requiring that HUD simplify and clarify the exemption language. This year HUD finally published the new rule. The rule does simplify the requirements and ease the burden on housing communities, but does not alter the questionable and confusing facilities and services language. In other words, seniors still face a legal hurdle for doing nothing more than trying to freely live in their own communities.

It has become clear that a full repeal of the questionable regulations is the best solution to this problem. Only by removing the ambiguous language regarding significant facilities and services can we truly protect the rights of seniors. If we pass this bill, there will finally be a clear and concise test, by which seniors only housing facilities can know whether they qualify for the exemption.

Housing discrimination should not be tolerated by our society, and it certainly should be encouraged by legislation. But, the Fair Housing Act does just that: instead of making it easier for seniors to live in their own communities it has created a legal pitfall that assumes seniors are guilty until proven innocent. The act has actually discouraged seniors from exercising their right to live where they want. The Fair Housing Act has been anything but fair.

I urge my colleagues to support H.R. 660. This legislation will provide the fairness and accommodation our Nation's seniors deserve. No longer will they be treated as second-class citizens; no longer will they be punished simply for their age. Finally they will enjoy the fairness promised to them in the Fair Housing Act. Finally they will regain the right to live in peace. I urge an ''aye'' vote on H.R. 660.

Mr. CANADY of Florida. Mr. Chairman, I yield 1 minute to the gentleman from California [Mr. BONO].

Mr. BONO. Mr. Chairman, I thank the gentleman for yielding me the time. Mr. Chairman, I rise in support of H.R. 660, the Housing for Older Persons Act of 1995. In my district, particularly in communities like Hemet and San Jacinto, thousands of seniors suffer from oppressive and unfair regulations when it comes to seniors-only housing.

The bill would repeal the significant facilities requirement that is one of the tests senior communities have had to meet to qualify for an exemption from the 1988 Fair Housing Act. This will bring needed relief to not only my district, but to seniors throughout the country.

I urge my colleagues to support H.R. 660 and end the discrimination against seniors.

Mr. BILIRAKIS. Mr. Chairman, I rise today in strong support of H.R. 660, the Housing for Olders Persons Act, legislation of which I am a proud cosponsor.

I am delighted to tell my colleagues that this legislation creates no new programs, expands no bureaucracies, helps our seniors—and will cost us virtually nothing.

It merely clears up some of the tortured ''logic'' of federal regulation touched off when the Congress sought to amend the Fair Housing Act in 1988. It was a classic example of the law of unintended effects.

In a good-faith effort to prohibit housing discrimination, the Federal Government managed to virtually prohibit senior citizen retirement communities. The more loopholes the Congress sought to open to allow these communities to safety slip through this vague and ill-written law. The more bureaucratic hurdles and hoops were created by the Department of Housing and Urban Development.

These communities were forced to supply ''significant facilities and services specifically designed to meet the physical or social needs of older persons.'' Unfortunately, HUD chose not to define what these services or facilities should be. Seniors communities often sunk hundreds of dollars into service improvements only to be denied HUD certification anyway.

Last year, under pressure from citizens across the country, HUD attempted to clarify this requirement. Instead, it merely added 59 more pages of proposed rules and regulations.

HUD suggestions for costly congregate dinning facilities, daily meal delivery and other services regardless of whether they were needed or already available elsewhere led to even more confusion and frustration.

Last month, HUD tried again to clear the bureaucratic swamp it had created following another round of citizen complaints. Again, no

specific requirements were offered, but 12 categories of suggested facilities were advanced—including, as was reported in the Wall Street Journal, ''Bingo clubs, bowling trips and TAI–CHI classes.''

It is obvious to me that the only way we are going to drain this swamp is by wiping this outlandish requirement for significant facilities and services off the books entirely—which is what the bill before us does.

I urge my colleagues to strike a blow for fairness and against mind-numbing, bureaucratic nonsense by voting for this legislation today.

Mr. YOUNG of Florida. Mr. Chairman, I rise in strong support of H.R. 660, the Housing for Older Persons Act, which is legislation I have cosponsored to once and for all specify with certainty which housing communities qualify as adult-only communities.

The Fair Housing Act of 1988 prohibited housing discrimination based on familial status. Congress, however, was very clear in providing exemptions for adult-only communities. Unfortunately, in the 7 years since enactment of the law, the Department of Housing and Urban Development has been unable to issue regulations that adequately set out the requirements for adult-only communities that are to be exempted from the act. The result has been great uncertainty among the residents of these communities, volunteers serving in homeowner associations, and real estate agents who sell or rent homes.

It is an issue that has generated great interest among the residents of many, many senior retirement communities across the 10th Congressional District of Florida which I have the privilege to represent. Their concern was heard by the Department of Housing and Urban Development in a public hearing last October in Tampa. Hundreds of Tampa Bay area residents turned out to share these concerns and as a result, HUD announced late last year that it was again withdrawing proposed regulations to clarify which communities are exempt from the Fair Housing Act's requirements.

The primary concern I raised in my testimony at that hearing, which was echoed by the many residents of senior housing communities, is HUD's proposed requirement that these communities provide ''significant facilities and services specifically designed to meet the physical or social needs of older persons.'' The lack of a clear definition for significant facilities has created havoc in housing communities throughout our Nation, and particularly in Pinellas County, FL. Without some clarification, these communities have been unable to complete the process by which they receive exemptions from the act's familial status discrimination provisions. Regulations promulgated by the Department in 1991 did not clearly define what facilities and services are required to meet this test, and throughout the past 4 years, HUD officials have admitted they are unable to provide a specific list of these requirements.

The result is that many housing communities have not been able to determine with certainty whether they qualify for the exemption. Because HUD has no certification process, the only way this issue can be determined is through the courts. Therefore, communities find themselves in limbo until they are challenged in court and their exemption is approved or rejected. A number of housing communities throughout our Nation have been challenged in court by HUD and have had their senior-only status overturned.

Congress recognized the problems created by the original 1991 regulations and in October 1992 enacted legislation requiring the Department to issue revised regulations to more clearly define the significant facilities required for communities to retain their senior status. Unfortunately, HUD's latest proposed regulations, issued on March 14, one again fail to clear up the confusion and uncertainty caused by past drafts.

As I have said in cosponsoring legislation in the 101st, 102d, 103d, and this 104th Congress to correct this problem, we must take legislative action to provide a definitive solution if HUD cannot solve the problem and ease the confusion through the regulatory route. The legislation before us today, which I cosponsored, simply deletes the significant structures and services requirement from the law. This enables housing communities to definitively determine whether or not they qualify for the 55-and-older exemption from the familial status discrimination provisions. The sole remaining criteria is whether or not 80 percent of a housing community's residents are 55 or older.

Mr. Chairman, the problem we seek to solve today is not only important to the people of the many adult communities I represent, but to the hundreds of volunteers who serve as directors for the countless housing communities which remain uncertain whether they are in compliance or in violation of Federal law.

This is a good legislative solution to a long overdue problem and I urge the support of my colleagues.

Mr. KOLBE. Mr. Chairman, I rise in strong support of H.R. 660, the Housing for Older Persons Act. This legislation will at long last put to rest a burdensome bureaucratic requirement that senior's housing communities provide significant facilities and services for senior care in order to meet the Fair Housing Amendment Act's adult-only housing test.

I, along with every Member of this body, have heard from literally hundreds of seniors who fear their community will no longer be able to qualify as a senior's community. Every attempt at clarification by the Department of Housing and Urban Development of what is meant by significant facilities has led to even greater confusion. The most recent set of regulations issued in March are a nightmare. HUD has decided that in order to qualify as seniors housing, critical services such as taichi and bowling trips must be provided.

Clearly, it is time we acknowledge that the Congress erred during the 1988 expansion of the Fair Housing Act when it mandated that seniors communities provide significant facilities. James Bovard put it best when he wrote in the March 20 edition of the Wall Street Journal: ''We don't need Federal bingo mandates for our senior citizens. The real issue in this controversy is how much power politicians and bureaucrats should have to forcibly veto Americans' freedom of association.''

I urge my colleagues to vote in favor of H.R. 660.

Mr. ACKERMAN. Mr. Chairman, I rise in strong support of H.R. 660, the Housing for Older Persons Act. In 1988, Congress amended the Fair Housing Act to prohibit discrimination in housing against families with children providing an exemption in the case of housing for older persons in order to allow senior citizens to live in age-restricted housing, such as retirement communities.

Unfortunately, since enactment of the 1988 amendments, controversy has surrounded the definition of seniors-only housing which requires significant facilities and services specifically designed to meet the physical or social needs of older persons in order for a specific facility to qualify for the exemption. Some seniors' communities have been faced with housing discrimination lawsuits, due in part to confusion about the types of facilities and services that must be provided in order for a community to qualify.

H.R. 660 removes the significant facilities and services requirement that a seniors community must meet in order to qualify for the exemption and instead allows communities to demonstrate only that it is intended to provide housing for persons 55 and older, and that 80 percent of the housing units are occupied by one or more persons in this age group.

The Older Persons Act also establishes a good faith defense against liability for monetary damages in housing discrimination lawsuits which involve the exemption. This defense protects individuals, such as members of condominium boards, from lawsuits if they acted on a good faith belief that the seniors community qualified for the exemption.

Mr. Chairman, H.R. 660 removes the uncertainty from current law and protects the legitimate right of seniors to live in communities designed for them. I urge my colleagues to support the bill.

The CHAIRMAN. All time for general debate has expired.

Pursuant to the rule, the committee amendment in the nature of a substitute printed in the bill is considered as an original bill for the purpose of amendment and each section is considered as having been read.

The Clerk will designate section 1.

The text of section 1 is as follows:

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

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Housing for Older Persons Act of 1995''.

The CHAIRMAN. Are there any amendments to section 1?

If not, the Clerk will designate section 2.

The text of section 2 is as follows:

SEC. 2. DEFINITION OF HOUSING FOR OLDER PERSONS.

Subparagraph (C) of section 807(b)(2) of the Fair Housing Act (42 U.S.C. 3607(b)(2)) is amended to read as follows:

''(C) that meets the following requirements:

''(i) The housing is in a facility or community intended and operated for the occupancy of at least 80 percent of the occupied units by at least one person 55 years of age or older.

''(ii) The housing facility or community publishes and adheres to policies and procedures that demonstrate the intent required under clause (i), whether or not such policies and procedures are set forth in the governing documents of such facility or community.

''(iii) The housing facility or community complies with rules made by the Secretary for the verification of occupancy. Such rules shall allow for that verification by reliable

surveys and affidavits and shall include examples of the types of policies and procedures relevant to a determination of compliance with the requirement of clause (ii). Such surveys and affidavits shall be admissible in administrative and judicial proceedings for the purposes of such verification.''.

The CHAIRMAN. Are there any amendments to section 2?

If not, the Clerk will designate section 3.

The text of section 3 is as follows:

SEC. 3. GOOD FAITH ATTEMPT AT COMPLIANCE DEFENSE AGAINST CIVIL MONEY DAMAGES.

Section 807(b) of the Fair Housing Act (42 U.S.C. 3607(b)) is amended by adding at the end the following:

''(5) GOOD FAITH RELIANCE.—(A) A person shall not be held personally liable for monetary damages for a violation of this title if such person reasonably relied, in good faith, on the application of the exemption under this subsection relating to housing for older persons.

''(B) For the purposes of this paragraph, a person engaged in the business of residential real estate transactions may show good faith reliance on the application of the exemption by showing that—

''(i) such person has no actual knowledge that the facility or community is not, or will not, be eligible for such exemption; and

''(ii) the facility or community has certified to such person, in writing and on oath or affirmation, that the facility or community complies with the requirements for such exemption.''.

The CHAIRMAN. Are there amendments to the bill?

If not, the question is on the committee amendment in the nature of a substitute.

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

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker pro tempore (Mr. MCINNIS) having assumed the chair, Mr. DUNCAN, 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. 660) to amend the Fair Housing Act to modify the exemption from certain familial status discrimination prohibitions granted to housing for older persons, pursuant to House Resolution 126, he reported the bill back to the House with an amendment adopted in the Committee of the Whole.

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

The question is on the amendment.

The amendment was agreed to.

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

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

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

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

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

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

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 424, nays 5, not voting 5, as follows:

[Roll No. 297]

YEAS—424

Abercrombie
Allard
Andrews
Archer
Armey
Bachus
Baesler
Baker (CA)
Baker (LA)
Baldacci
Ballenger
Barcia
Barr
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bass
Bateman
Beilenson
Bentsen
Bereuter
Bevill
Bilbray
Bilirakis
Bishop
Bliley
Blute
Boehlert
Boehner
Bonilla
Bonior
Bono
Borski
Boucher
Brewster
Browder
Brown (CA)
Brown (FL)
Brown (OH)
Brownback
Bryant (TN)
Bunn
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Canady
Cardin
Castle
Chabot
Chambliss
Chenoweth
Christensen
Chrysler
Clay
Clayton
Clement
Clinger
Clyburn
Coble
Coburn
Coleman
Collins (GA)
Collins (IL)
Collins (MI)
Combest
Condit
Conyers
Cooley
Costello
Cox
Coyne
Cramer
Crane
Crapo
Cremeans
Cubin
Cunningham
Danner
Davis
de la Garza
Deal
DeFazio
DeLauro
DeLay
Dellums
Deutsch
Diaz-Balart
Dicks
Dingell
Dixon
Doggett
Dooley
Doolittle
Dornan
Doyle
Dreier
Duncan
Dunn
Durbin
Edwards
Ehlers
Ehrlich
Emerson
Engel
English
Ensign
Eshoo
Evans
Everett
Ewing
Farr
Fattah
Fawell
Fazio
Fields (LA)
Fields (TX)
Filner
Flake
Flanagan
Foglietta
Foley
Forbes
Ford
Fowler
Fox
Frank (MA)
Franks (CT)
Franks (NJ)
Frelinghuysen
Frisa
Funderburk
Furse
Gallegly
Ganske
Gejdenson
Gekas
Gephardt
Geren
Gibbons
Gilchrest
Gillmor
Gilman
Gonzalez
Goodlatte
Goodling
Gordon
Goss
Graham
Green
Greenwood
Gunderson
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hamilton
Hancock
Hansen
Harman
Hastert
Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Hefley
Hefner
Heineman
Herger
Hilleary
Hilliard
Hinchey
Hobson
Hoekstra
Hoke
Holden
Horn
Hostettler
Houghton
Hoyer
Hunter
Hutchinson
Hyde
Inglis
Istook
Jackson-Lee
Jacobs
Jefferson
Johnson (CT)
Johnson (SD)
Johnson, E.B.
Johnson, Sam
Johnston
Jones
Kanjorski
Kaptur
Kasich
Kelly
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kim
King
Kingston
Kleczka
Klink
Klug
Knollenberg
Kolbe
LaFalce
LaHood
Lantos
Largent
Latham
LaTourette
Laughlin
Lazio
Leach
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Lightfoot
Lincoln
Linder
Lipinski
Livingston
LoBiondo
Lofgren
Longley
Lowey
Lucas
Luther
Maloney
Manton
Manzullo
Markey
Martinez
Martini
Mascara
Matsui
McCarthy
McCollum
McCrery
McDade
McDermott
McHale
McHugh
McInnis
McIntosh
McKeon
McKinney
McNulty
Meehan
Meek
Menendez
Metcalf
Meyers
Mfume
Mica
Miller (CA)
Miller (FL)
Mineta
Minge
Mink
Moakley
Molinari
Mollohan
Montgomery
Moorhead
Moran
Morella
Murtha
Myers
Myrick
Nadler
Neal
Nethercutt
Neumann
Ney
Norwood
Nussle
Oberstar
Obey
Olver
Ortiz
Orton
Owens
Oxley
Packard
Pallone
Parker
Pastor
Paxon
Payne (NJ)
Payne (VA)
Pelosi
Peterson (FL)
Peterson (MN)
Petri
Pickett
Pombo
Pomeroy
Porter
Portman
Poshard
Pryce
Quillen
Quinn
Radanovich
Rahall
Ramstad
Rangel
Reed
Regula
Richardson
Riggs
Rivers
Roberts
Roemer
Rogers
Rohrabacher
Ros-Lehtinen
Rose
Roth
Roukema
Roybal-Allard
Royce
Rush
Sabo
Salmon
Sanders
Sanford
Sawyer
Saxton
Scarborough
Schaefer
Schiff
Schroeder
Schumer
Seastrand
Sensenbrenner
Serrano
Shadegg
Shaw
Shays
Shuster
Sisisky
Skaggs
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Solomon
Souder
Spence
Spratt
Stark
Stearns
Stenholm
Stockman
Stokes
Studds
Stump
Stupak
Talent
Tanner
Tate
Tauzin
Taylor (MS)
Taylor (NC)
Tejeda
Thomas
Thompson
Thornberry
Thornton
Thurman
Tiahrt
Torkildsen
Torres
Torricelli
Towns
Traficant
Tucker
Upton
Velazquez
Vento
Visclosky
Volkmer
Vucanovich
Waldholtz
Walker
Walsh
Wamp
Ward
Waters
Watts (OK)
Waxman
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Williams
Wilson
Wise
Wolf
Woolsey
Wyden
Wynn
Yates
Young (AK)
Young (FL)
Zeliff
Zimmer

NAYS—5

Becerra
Berman
Bryant (TX)
Scott
Watt (NC)

NOT VOTING—5

Ackerman
Chapman
Dickey
Frost
Reynolds

☐ 1341

Mr. WATT of North Carolina changed his vote from ''yea'' to ''nay.''

Mr. RUSH changed his vote from ''nay'' to ''yea.''

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. ARMEY. Mr. Speaker, I ask unanimous consent that all Members have 5 legislative days to revise and extend their remarks on H.R. 660, the bill just passed.

The SPEAKER pro tempore (Mr. HOBSON). Is there objection to the request of the gentleman from Texas?

There was no objection.

LAST VOTE ON CONTRACT WITH AMERICA—FREE AT LAST

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

Mr. ARMEY. Mr. Speaker, I will just take a minute. Let me say to my colleagues that here we are on day 92 of the 100 days for the Contract With America and on this overwhelmingly bipartisan vote that we just cast we have made our last vote on the Contract With America.

Let me say to all my colleagues on both sides of the aisle how very proud I am of the way we as a body have conducted our affairs. This has been a difficult schedule. It has been extraordinarily demanding on our families, and if I may close my remarks with this observation, on behalf of our families let me just say: Free at least; free at last.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 345

Mr. PICKETT. Mr. Speaker, I ask unanimous consent that the name of the gentleman from Oklahoma [Mr. BREWSTER] be removed from the list of cosponsors of H.R. 345.

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

There was no objection.

PROVIDING FOR CONSIDERATION OF H.R. 483, MEDICARE SELECT EXPANSION

Ms. PRYCE. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 130 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 130

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. 483) to amend title XVIII of the Social Security Act to permit medicare select policies to be offered in all States, and for other purposes. The first reading of the bill shall be dispensed with. All points of order against consideration of the bill are waived. General debate shall be confined to the bill and shall not exceed one hour equally divided and controlled by the chairman and ranking minority member of the Committee on Commerce. After general debate the bill shall be considered for amendment under the five-minute rule. In lieu of any committee amendment it shall be in order to consider as an original bill for the purpose of amendment under the five-minute rule an amendment in the nature of a substitute consisting of the text of H.R. 1391. That amendment in the nature of a substitute shall be considered as read. No amendment to that amendment in the nature of a substitute shall be in order except one further amendment in the nature of a substitute which may be offered only by Representative Dingell of Michigan or his designee, shall be considered as read, shall be debatable for one hour equally divided and controlled by the proponent and an opponent, and shall not be subject to amendment. At the conclusion of consideration of the bill for amendment the Committee shall rise and report the bill to the House with such amendment as may have been adopted. Any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the amendment in the nature of a substitute made in order as original text. The previous question shall be considered as ordered on the bill and any amendment thereto to final passage without intervening motion except one motion to recommit with or without instructions.

SEC. 2. Subject to clause 2(l)(5) of rule XI, the Committee on Commerce may file a report to the House on H.R. 483 at any time.

The SPEAKER pro tempore. The gentlewoman from Ohio [Ms. PRYCE] is recognized for 1 hour.

AMENDMENT OFFERED BY MS. PRYCE

Ms. PRYCE. Mr. Speaker, I ask unanimous consent that House Resolution 130 be amended on page 2, line 3, by inserting after ''bill'' the words ''for failure to comply with clause (2)(1)(6) of rule XI.''

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

Mr. MOAKLEY. Mr. Speaker, reserving the right to object, I would like to know exactly what the gentlewoman from Ohio [Ms. PRYCE] is doing at the present time.

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

Mr. MOAKLEY. Further reserving the right to object, I yield to the gentlewoman from Ohio.

Ms. PRYCE. Mr. Speaker, the words proposed to be inserted were inadvertently deleted from the text of the rule, even though it is clear from the motion made in committee that those included words were to be reported.

Mr. MOAKLEY. Mr. Speaker, the gentlewoman has a very lucid explanation, and I withdraw my reservation of objection.

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

There was no objection.

The SPEAKER pro tempore. The resolution is amended.

Ms. PRYCE. Mr. Speaker, for purposes of debate only, I yield the customary 30 minutes to the gentleman from Massachusetts [Mr. MOAKLEY], pending which I yield myself such time as I may consume.

During consideration of this resolution, all time yielded is for the purposes of debate only.

Mr. Speaker, time is of the essence. That is the basic principle underlying our consideration of this legislation today.

In 1990, Congress created the Medicare Select Program to allow Medicare recipients the option of purchasing a MediGap managed care option. This 15-State demonstration project is set to expire on June 30, a date that is not so far away when you consider that we are about to begin a 3-week district work period. Unless Congress takes prompt action to renew this program, the insurance benefits of nearly half a million senior citizens covered by the Medicare Select Program would be in jeopardy.

Failure to extend the program's authority would most likely lead to higher premiums for current enrollees, presenting a new burden for senior citizens who live on fixed incomes.

The legislation before us, crafted by the distinguished gentlewoman from Connecticut [Mrs. JOHNSON], expands this option now being tried successfully in 15 States to seniors in all 50 States, extends the program for a minimum of 5 additional years, and puts it on track to becoming permanent if the Secretary of Health and Human Services certifies that certain conditions have been met.

In order to expedite consideration of this bill in the House, and to ensure that the Senate, will have ample time to debate this issue, the Committee on Rules has reported a fair and balanced rule for this very necessary legislation. Only the rule will be considered by the House today.

Mr. Speaker, the rule provides for 1 hour of general debate, equally divided and controlled by the chairman and ranking minority member of the Committee on Commerce, after which time the bill shall be considered for amendment under the 5-minute rule.

The rule makes in order as an original bill for the purpose of amendment under the 5-minute rule an amendment in the nature of a substitute consisting of the text of H.R. 1391. This bill reflects a consensus position reached by the two committees of jurisdiction in this matter: The Committee on Commerce, and the Committee on Ways and Means.

No amendment to that amendment in the nature of a substitute shall be in order, except one further amendment in the nature of a substitute which may be offered only by Representative DINGELL or his designee. The amendment shall not be subject to further amendment, and is debatable for an hour, which shall be equally divided and controlled by the proponent and an opponent.

Finally, the minority is provided with one motion to recommit, with or without instructions.

Mr. Speaker, health care reform dominated much of the time and attention of the 103d Congress. This year, work has already begun to explore new and innovative ways to make health care more available and affordable for our citizens, especially for older Americans.

As Chairman BLILEY stated before the Committee on Rules last evening, this legislation provides a reasonable balance to permit a very valuable, and arguably successful, program for our senior citizens to continue, while allowing us time to evaluate the program more closely before making it permanent.

Our colleagues should keep in mind that the Medicare Select Program provides senior citizens with another viable option to receive affordable medical care. Premiums under the select option have resulted in savings as high as 37 percent over traditional MediGap products. By giving older Americans more choices within MediGap, we give them the flexibility to choose plans which meet their special, individual needs.

Mr. Speaker, the sponsors of this legislation have made it very clear that the House needs to act on this bill before leaving for the upcoming district work period. More than 450,000 Medicare beneficiaries will be impacted if the Medicare Select Demonstration Program is not expanded.

Mr. Speaker, this is a fair, balanced, and responsible rule. It provides the minority with two distinct opportunities to offer alternative proposals. These proposals may contain whatever germane amendments the minority leadership considers most important, as long as they are consistent with the standing rules of the House.

In the Rules Committee hearing, we discussed a number of substantive amendments which were offered during the separate committee markup process, all of which were defeated at the committee level. While these proposals do have merit, Mr. Speaker, the Rules Committee majority strongly believes that they should be brought up when the House considers legislation specifically addressing reform of Medicare and MediGap programs. It would seem unfair to single out one program for reform at this time when all MediGap policies together should be examined at the proper time.

Once again, Mr. Speaker, let me emphasize that it is imperative that the House complete its consideration of this legislation and forward it to the Senate, which we all know operates at a much different pace than the House.

I urge my colleagues on both sides of the aisle to support this fair, balanced, and very reasonable rule.

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

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

Mr. Speaker, it gives me great pleasure to stand on the House floor today to publicly thank my good friend, the gentleman from New York, Mr. JERRY SOLOMON.

Democrats were upset to learn yesterday that the Republican leadership was going to deny the Democrats on the Commerce Committee their right to have 3 days to file their views.

But JERRY SOLOMON came to our rescue. He talked to his leadership and convinced them to change the schedule so that Democrats on the Commerce Committee will be given time to file their views.

That's right. Thanks to JERRY SOLOMON we are taking up the rule today, but we will take up the bill tomorrow and Democrats will have the right to voice their opinion just as Republicans did when they were in the minority.

Unfortunately, I cannot say Democrats are as happy with this rule as we were with JERRY SOLOMON yesterday.

Today, we are discussing a closed rule on a simple, noncontroversial bill that anyone and everyone should be allowed to amend if they see fit.

But for some reason Republicans seem to have gotten in the habit of breaking promises and socking it to American families. They are shutting down this rule just as they restricted 66 percent of the contract rules.

At least three amendments that were offered in the Commerce Committee had significant bipartisan support. I would ask my colleagues, what is going on here?

What reason on Earth could you have to forbid Democrats and Republicans from offering amendments to this Medicare bill?

I urge my colleagues to defeat this rule.

DEPARTMENT OF HEALTH AND HUMAN SERVICES, HEALTH CARE FINANCING ADMINISTRATION,

Washington, DC, April 5, 1995.

Hon. JOHN D. DINGELL,
House of Representatives,
Washington, DC.

DEAR MR. DINGELL: I am responding to your request as to whether there is any federal requirement that Medicare SELECT insurers notify their enrollees about the status of their policies prior to the expiration of the current authorization for the demonstration.

There are no provisions in Federal law, regulations or the NAIC Model that require plans to notify enrollees in April or for that matter any time prior to the expiration of the demonstration authority. Even after the demonstration authority expires, plans are required to maintain coverage to all enrollees who continue to hold policies.

Confusion may have arisen on this issue of notification because of a provision in Section 10–N of the NAIC Model. This section outlines the requirements for plans to provide continuation of coverage in the event that the Secretary notifies the states of her determination that SELECT policies should be discontinued because of the failure of the demonstration to be reauthorized or its substantial amendment. This notification to states is at the Secretary's discretion. Given the bipartisan interest in both the House and Senate, we don't anticipate making such a determination in the foreseeable future even in the unlikely event that there is a temporary lapse in the authority for the demonstration.

We are committed to working with Congress to improve the options available to our beneficiaries. As you are aware, the Administration supports a temporary extension of the 15-state demonstration. Such an extension would provide sufficient time to examine what we have learned from the demonstration and to make needed changes to SELECT based on our findings. I look forward to working with you on these issues.

Sincerely,

BRUCE C. VLADECK,
Administrator.

Floor Procedure in the 104th Congress; Compiled by the Rules Committee Democrats

Bill No.	Title	Resolution No.	Process used for floor consideration	Amendments in order
H.R. 1*	Compliance	H. Res. 6	Closed	None.
H. Res. 6	Opening Day Rules Package	H. Res. 5	Closed; contained a closed rule on H.R. 1 within the closed rule	None.
H.R. 5*	Unfunded Mandates	H. Res. 38	Restrictive; Motion adopted over Democratic objection in the Committee of the Whole to limit debate on section 4; Pre-printing gets preference.	N/A.
H.J. Res. 2*	Balanced Budget	H. Res. 44	Restrictive; only certain substitutes	2R; 4D.
H. Res. 43	Committee Hearings Scheduling	H. Res. 43 (OJ)	Restrictive; considered in House no amendments	N/A.
H.R. 2*	Line Item Veto	H. Res. 55	Open; Pre-printing gets preference	N/A.
H.R. 665*	Victim Restitution Act of 1995	H. Res. 61	Open; Pre-printing gets preference	N/A.
H.R. 666	Exclusionary Rule Reform Act of 1995	H. Res. 60	Open; Pre-printing gets preference	N/A.
H.R. 667	Violent Criminal Incarceration Act of 1995	H. Res. 63	Restrictive; 10 hr. Time Cap on amendments	N/A.
H.R. 668	The Criminal Alien Deportation Improvement Act	H. Res. 69	Open; Pre-printing gets preference; Contains self-executing provision	N/A.
H.R. 728	Local Government Law Enforcement Block Grants	H. Res. 79	Restrictive; 10 hr. Time Cap on amendments; Pre-printing gets preference	N/A.
H.R. 7	National Security Revitalization Act	H. Res. 83	Restrictive; 10 hr. Time Cap on amendments; Pre-printing gets preference	N/A.
H.R. 729	Death Penalty/Habeas	N/A	Restrictive; Brought up under UC with a 6 hr. time cap on amendments	N/A.
S. 2	Senate Compliance	N/A	Closed; Put on suspension calendar over Democratic objection	None.
H.R. 831	To Permanently Extend the Health Insurance Deduction for the Self-Employed.	H. Res. 88	Restrictive; Makes in order only the Gibbons amendment; waives all points of order; Contains self-executing provision.	1D.
H.R. 830	The Paperwork Reduction Act	H. Res. 91	Open	N/A.
H.R. 889	Emergency Supplemental/Rescinding Certain Budget Authority	H. Res. 92	Restrictive; makes in order only the Obey substitute	1D.
H.R. 450	Regulatory Moratorium	H. Res. 93	Restrictive; 10 hr. Time Cap on amendments; Pre-printing gets preference	N/A.
H.R. 1022	Risk Assessment	H. Res. 96	Restrictive; 10 hr. Time Cap on amendments	N/A.
H.R. 926	Regulatory Flexibility	H. Res. 100	Open	N/A.
H.R. 925	Private Property Protection Act	H. Res. 101	Restrictive; 12 hr. time cap on amendments; Requires Members to pre-print their amendments in the Record prior to the bill's consideration for amendment. Waives germaneness and budget act points of order as well as points of order concerning appropriating on a legislative bill against the committee substitute used as base text.	1D.
H.R. 1058	Securities Litigation Reform Act	H. Res. 105	Restrictive; 8 hr. time cap on amendments; Pre-printing gets preference; Makes in order the Wyden amendment and waives germaness against it.	1D.
H.R. 988	The Attorney Accountability Act of 1995	H. Res. 104	Restrictive; 7 hr. time cap on amendments; Pre-printing gets preference	N/A.
H.R. 956	Product Liability and Legal Reform Act	H. Res. 109	Restrictive; Makes in order only 15 germane amendments and denies 64 germane amendments from being considered.	8D; 7R.

Floor Procedure in the 104th Congress; Compiled by the Rules Committee Democrats—Continued

Bill No.	Title	Resolution No.	Process used for floor consideration	Amendments in order
H.R. 1158	Making Emergency Supplemental Appropriations and Rescissions	H. Res. 115	Restrictive; Combines emergency H.R. 1158 & nonemergency 1159 and strikes the abortion provision; makes in order only pre-printed amendments that include offsets within the same chapter (deeper cuts in programs already cut); waives points of order against three amendments; waives cl 2 of rule XXI against the bill, cl 2, XXI and cl 7 of rule XVI against the substitute; waives cl 2(e) of rule XXI against the amendments in the Record; 10 hr time cap on amendments. 30 minutes debate on each amendment.	N/A.
H.J. Res. 73	Term Limits	H. Res. 116	Restrictive; Makes in order only 4 amendments considered under a ''Queen of the Hill'' procedure and denies 21 germane amendments from being considered.	1D; 3R
H.R. 4	Welfare Reform	H. Res. 119	Restrictive; Makes in order only 31 perfecting amendments and two substitutes; Denies 130 germane amendments from being considered; The substitutes are to be considered under a ''Queen of the Hill'' procedure; All points of order are waived against the amendments.	5D; 26R
H.R. 1271	Family Privacy Act	H. Res. 125	Open	N/A
H.R. 660	Housing for Older Persons Act	H. Res. 126	Open	N/A
H.R. 1215	The Contract With America Tax Relief Act of 1995	H. Res. 129	Restrictive; Self Executes language that makes tax cuts contingent on the adoption of a balanced budget plan and strikes section 3006. Makes in order only one substitute. Waives all points of order against the bill, substitute made in order as original text and Gephardt substitute.	1D
H.R. 483	Medicare Select Extension	H. Res. 130	Restrictive; Waives cl 2(1)(6) of rule XI against the bill; makes H.R. 1391 in order as original text; makes in order only the Dingell substitute; allows Commerce Committee to file a report on the bill at any time.	1D

*Contract Bills, 67% restrictive; 33% open. **All legislation, 74% restrictive; 26% open. ****Restrictive rules are those which limit the number of amendments which can be offered, and include so called modified open and modified closed rules as well as completely closed rules and rules providing for consideration in the House as opposed to the Committee of the Whole. This definition of restrictive rule is taken from the Republican chart of resolutions reported from the Rules Committee in the 103rd Congress. ****Not included in this chart are three bills which should have been placed on the Suspension Calendar. H.R. 101, H.R. 400, H.R. 440.

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

Ms. PRYCE. Mr. Speaker, I yield 3 minutes to the gentleman from Florida [Mr. GOSS], a very distinguished member of the Committee on Rules.

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

Mr. GOSS. Mr. Speaker, I rise in support of this very fair, structured rule for the consideration of H.R. 1391. This rule balances the rights of the minority, with the pressing need to extend the extraordinarily popular, and highly effective Medicare Select Program. Seniors in my home State of Florida have benefited greatly from this pilot program. Currently, more than 50,000 Medicare enrollees in Florida have voluntarily chosen to purchase one of these unique MediGap-PPO products—a product that helps fill the gap between what health care actually costs and what Medicare will pay. Often this is a substantial gap that has placed seniors in tough financial straits. On the whole, Medicare select enrollees in Florida enjoy supplemental premium costs that are about 25 percent lower than traditional indemnity products. To seniors living on fixed incomes, this type of insurance savings can make the crucial difference between barely surviving and maintaining a certain level of quality of life. In some cases, it can mean the difference between having supplemental coverage for such costly things as prescription drugs or not. Seniors I have talked to appreciate the simplified billing process that a Medicare select policy offers—they do not have to front the cost of care and then file two separate claims to seek reimbursement. In most cases, under this program, all out-of-pocket costs are determined and paid at the time of service. While some have expressed concerns about the quality of care provided through these plans, seniors in Florida have consistently expressed very high rates of satisfaction with the care they have received. This has been demonstrated most convincingly by the fact that more than 90 percent of enrollees retain their policies—even though they could choose another Medigap option at any time. Mr. Speaker, in order to ensure that the hundreds of thousands of current Medicare select enrollees maintain the benefits of this program, the Congress must act expeditiously. The program is set to expire on June 30. And without assurances that the law will be extended, insurers will have to begin to notify enrollees of their plan's pending termination. By passing this rule, and H.R. 1391 today, we will not only ensure that current beneficiaries maintain coverage, but we will make it possible for seniors in an additional 35 States to enjoy the benefits of this program. By extending the Medicare Select Program to the rest of the country, we will reaffirm our commitment to giving seniors more choices in Medicare—and provide them with more opportunities to reduce their health care costs. I urge adoption of this rule and the bill.

Mr. MOAKLEY. Mr. Speaker, I yield 7 minutes to the gentleman from Michigan [Mr. DINGELL], the ranking member of the committee.

□ 1400

Mr. DINGELL. Mr. Speaker, let me thank the distinguished gentleman from Massachusetts for yielding this time to me.

Mr. Speaker, this is a gag rule pure and simple. It is not needed at this particular time. There is plenty of time to deal with this legislation. If we pass this legislation tomorrow or today, the other body will not be able to move on it until after they come back. If we pass it the day after we come back from the recess, the other body can still consider the legislation within sufficient time to meet the June 30 deadline.

Mr. Speaker, I rise in opposition, and I say this with great respect for my good friend, the chairman of the Committee on Rules, the gentleman from New York, who has given us another gag rule.

I also object to the extraordinary way in which this bill was brought to the floor and the way in which the minority's rights have been trampled. There are two rules that have been dealt with unfavorably: One is the 3-day requirement with regard to the minority having opportunity to file minority views, and the other is a provision which requires a 3-day layover. Neither of these needs to be waived at this time.

This is a closed rule. It is an unfair rule. It is a restrictive rule. It prevents Members from offering amendments other than one substitute that requires any and all amendments to be packaged into one, regardless of whether they are consistent with each other. It simply imposes on the Congress a requirement that we legislate poorly without adequate opportunity for debate or proper discussion on a piece of legislation which is relatively unimportant and on which there is no great need for haste.

There is absolutely no justification for this closed rule. Even the justification suggested by my colleagues in the majority collapse on close scrutiny.

My friend, the gentlewoman from Connecticut [Mrs. JOHNSON], has suggested at the Rules Committee that a closed rule shutting off individual amendments is appropriate because she disagrees with the substance of the amendments. It is my view those kind of amendments should be a matter of decision by the House and not by the Committee on Rules, and certainly not by one Member alone.

An open rule would have afforded my colleagues the opportunity to argue why amendments should be passed or defeated. The gentlewoman from Connecticut has suggested that matters on which the Members disagree should not be put before the Members for their consideration. That seems to indicate we should make this body more like the Russian Duma or perhaps the Reichstag and that disagreement over facts and policy are not appropriate for Members on the House floor.

The gentlewoman has also suggested that a closed rule was justified because the amendments the minority was contemplating were too narrow in scope and should apply to a broader series of insurance policies. Ironically, her bill was narrowed by the Republicans in the Committee on Ways and Means precisely for the purpose of preventing the

offering of germane amendments that were broader.

The bill brought before the Committee on Commerce was similarly narrowed to just this one class of policy. We heard in the Rules Committee that a closed rule might be justified by the fact that the Commerce Committee markup involved a discrete number of amendments and took only 2 hours to complete. That sounds like a bill uniquely suited and qualified for a completely open rule. It would not burden Members with too many votes or too much debate time.

Given the relatively small number of issues and the limited time they might occupy, we are here witnessing a rule that has been closed gratuitously.

Finally, it was suggested in the Rules Committee that a closed rule was in order because this bill was reported out by the Ways and Means Committee by a large margin.

Leaving aside the fact that amendments in the Commerce Committee lost by narrow margins, has the measure for whether minority rights should be protected become the number of people in the minority?

We have heard a lot about how a closed rule was necessary because this legislation is urgent. Nothing could be further from the truth. Indeed the minority has not been in any way uncooperative in bringing this legislation to floor. Nor did we in any way delay the consideration of the legislation in either of the two committees.

Even if this legislation were urgent, and it is not, does it mean that debate must be stifled? We managed to debate quite fully the resolution on the Gulf war, and that matter had real urgency and was not so limited, in fact, by time.

But the fact is this bill is not urgently needed. Arguments about the legal need for notification of insurers and policyholders are wrong and are being used to alarm senior citizens unnecessarily so that some insurers who might cut a fat hog off this program might scare off any opposition to it. The 15-State demonstration project does not expire until the end of June, and I have not heard of a single Member who objects to the extension of that particular program.

But what is really curious here is how the proponents of this rule are using the expiration of a program in 15 States, 3 months from now, 3 months from now, to justify urgent expansion of this experiment to the other 35 States.

This is like rushing through a bill that gives flood relief not only to California but the other 49 States and arguing that it is urgent.

A further sign that these arguments are phony is the lack of urgency felt in the other body. There is no indication that body will act before the recess. There has not even been a committee markup there.

In addition to being unduly restrictive, this rule comes to the floor under an exceptional and highly objectionable procedure. The committee report has not been filed. Indeed the Rules Committee met last night without having a committee report before it. The minority has not had its full 3 days to prepare its views. In fact, the rule contains a most extraordinary provision permitting the committee to file its report at any time. Are we beginning a process whereby the committees will not have to file their reports until after bills are passed?

The rule also waives the 3-day layover. These are rights which have always been considered sacrosanct, and whenever any attempt was made to control them on the part of the Democrats when we controlled this body, there was enormous outrage expressed by our colleagues on the Republican side.

Finally, the rule is objectionable because it makes in order a bill that no committee has reported out. It purports to be a compromise between Commerce and the Ways and Means Committees, but there was no consultation whatsoever that took place between the majority and minority. Therefore, it is not a compromise.

Furthermore, the Ways and Means Committee would not even be represented on the floor under this closed rule.

I urge my colleagues to reject this rule, I urge my colleagues to let us consider the matter in a more deliberate and appropriate fashion. There is no need for haste. We have not been delaying the matter. I believe that in protecting the rights of the minority, the rights of all Americans are protected as opposed to just some select few in the insurance industry.

Ms. PRYCE. Mr. Speaker, I yield 5 minutes to the gentlewoman from the State of Connecticut [Mrs. JOHNSON], who has done so much hard work on this issue.

Mrs. JOHNSON of Connecticut. Mr. Chairman, I rise in support of this rule permitting us to vote an extension and expansion of Medicare Select. I urge my colleagues to support making these health insurance plans, which Consumer Reports has rated so highly, available to seniors in all 50 States.

I support this rule because it allows us to get to the central issue, preserving a low-cost, high-quality insurance option for seniors while not allowing requirements to be imposed on a single Medigap policy that cannot under this bill be imposed on all MediGap policies in the market.

Mr. Speaker, it is important that we not add requirements to Medicare Select that would treat these plans differently from other MediGap prices. During each committee's markup, amendments were defeated because they would have required select plans to offer benefits, plan options and rates that would not apply to other Medigap policies.

The time to address these issues is when we make changes to all Medigap plans. Otherwise, Medicare Select plans would operate on an unlevel playing field and at a competitive disadvantage, eroding the savings seniors now enjoy by choosing these plans.

The Ways and Means Committee approved extension and expansion of the select program with a very bipartisan vote of 31 to 2. The Commerce Committee reported its legislation by voice vote.

My esteemed colleague, the gentleman from Michigan [Mr. DINGELL], agrees that this bill has broad bipartisan support.

If Congress does not act to extend this program this week, nearly a half-million seniors risk losing low-cost MediGap coverage. Companies offering these policies need to begin making plans now to prepare providers and beneficiaries about the future of their program.

Medicare Select is a MediGap policy—covering costs and services that Medicare does not. The difference is that select enrollees get their care from a preferred provider organization. Enrollees are still Medicare beneficiaries: Medicare will cover their health care costs even if they go outside the health network. By staying within the network, beneficiaries make the best use of their coverage because the health plan picks up most or all of their out-of-pocket costs.

Medicare Select is not a Medicare HMO/risk-contracting plan. Such plans require Medicare beneficiaries to obtain their care entirely within the network, or Medicare won't pay. With select, beneficiaries can still get Medicare to cover their charges even if they go outside the network, and in cases of emergency, the plan will reimburse charges in full.

Medicare Select saves beneficiaries money. Seniors on fixed incomes can save from 9 to 38 percent on the cost of their MediGap premium—up to $300 a year.

Mr. Speaker, Medicare Select is not a Government program. Medicare Select is a MediGap insurance policy and regulated at the Federal and State levels just as all such policies are.

Mr. Speaker, it operates around Medicare requirements. But it has indirect benefits to Medicare, however, because enrollees are using health providers within an integrated delivery system. Thus, inappropriate utilization of medical services is avoided. A California select plan found that the cost of medical services per admission for network providers was 20 percent lower than for non-network providers. In addition, the average length of stay for network providers was 50 percent lower than for non-network providers.

I urge my colleagues to support this rule and support the extension of Medicare Select to all States before we adjourn.

Mr. MOAKLEY. Mr. Speaker, I yield 7 minutes to the gentleman from California [Mr. STARK], the ranking minority member of the subcommittee.

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

Mr. Speaker, I just wanted to remind my colleagues that Medicare is the finest health insurance program in the country. It is the only functional health insurance system in the country, and universal coverage is guaranteed. More than 99 percent of the Americans over 65 are covered. No private insurance company will even offer insurance to people in that age group.

There is no insurance plan in the country that offers beneficiaries a higher, more broader choice of high-quality, affordable health insurance than does Medicare.

The success of this program, although it may rankle those who cannot stand to see the Federal Government do anything well, is, in large part, due to the willingness of prior Congresses to provide choice to beneficiaries or at the same time putting in the extra effort to guarantee to those beneficiaries that this range of choices will not be hazardous to their health.

Strong beneficiary protections are vital to the well-being of the seniors of our country.

I might remind the gentlewoman from Connecticut that she misspoke. There are no Federal regulations on Medicare select, none whatsoever. Therein might be the modest suggestion that many of us would have for improving this experiment and guaranteeing that it does not become subject to the same avaricious group, like Prudential Insurance, who have been fined $300 million for stealing billions from senior citizens.

I am not sure those are the people I want to run my mother's health care plan under Medicare select, and there would be nothing to stop them from stealing under this plan if Prudential chose to run one.

There are many other questions about the program, questions about the use of attained-age premiums, the bait-and-switch policy that some insurance companies use, selling a lowball premium to somebody when they turn 65 only to see that premium double and triple when they get to the delicate age of 67 or 68 or 80, where they can no longer afford it and see their premiums doubled and tripled.

There is no protection against that. Questions about the comparability of Medicare select products with other MediGap products, so that unscrupulous insurance salesmen do not unnecessarily confuse and cancel insurance for senior citizens.

The seniors deserve some protection there against those few unscrupulous sales people.

Last but not least, questions about the effect of these products on the Medicare expenditures, the trust fund which my Republican colleagues are so concerned about as they continue to break the trust fund with their capricious tax cuts, it is a fact that this has not saved Medicare any money at all and may indeed cost extra money. Those things should be looked at.

It seems to me that some modest protections—even the gentlewoman from Connecticut, in her original bill, had a few protections in her bill which were stripped out when the bill was presented to the Committee on Ways and Means.

□ 1415

These questions deserve answers, and I would ask the gentlewoman who is managing the bill for the majority what is the hurry. I do not know. If we pass this today or tomorrow, is there a reason that this bill must pass tomorrow or today?

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

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

Ms. PRYCE. We would like to get this to the Senate as soon as possible. Their pace is much different than ours. They are coming back a week before we are, so they can get a jump on it and get moving on it. This does expire in June, and we would like to see this extended.

Mr. STARK. I am reliably informed they do not intend to take it up, but, other than that, it can lay over there as well as lay here. That could well be. We still have until the end of June, and, as I say, why are we bringing it up today? I mean, if it is such urgency, I do not know because it seems to me we are bringing it up without the responsible procedure of seeing whether the bill is indeed any good. A closed rule does not permit any changes, and, except in some of the tax bills, I do not know what this urge, this rush, to judgment. If it is so good, why would it not stand the scrutiny of some discussion? I really do not—have no understanding of that, and I have heard precious little response from the majority side as to what they are scared of. What is it they are afraid of that will be offered?

I am puzzled. I begin to—I would not say smell a rat—but why we would rush to jam this down the throats of unsuspecting seniors? My mother is perfectly happy right now with Blue Cross, and she has got Aetna—or she has got AARP's MediGap. Why? She is happy.

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

Mr. STARK. I yield to the gentleman from California.

Mr. BILBRAY. Let me say, as somebody who has had to work with this population from a county service point of view, the inconsistency of not letting them know as soon as humanly possible what their options are and if this program will be available, and, as somebody who administered Federal programs, as my colleague knows, his side of the aisle again and again—

Mr. STARK. If I could reclaim my time to just explain to the gentleman that those people who are in the plan cannot be canceled even if we do not pass this. They are guaranteed to stay in. The only thing it would prevent is those insurance salesmen from selling new plans for perhaps a day or a week, it we miss the goal.

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

Mr. STARK. I yield to the gentleman from California.

Mr. BILBRAY. I say to the gentleman, ''But their premiums can be raised, and you tell a senior that it's no problem. You just pay more, and you won't know what that is in the future. We try to lay a defined course for these people. They have enough insecurity. They don't need us playing games back and forth, and you, more than anybody else, knows that you try to send messages that we pre-warn citizens of a changing situation as much as humanly possible.''

Mr. STARK. If I can reclaim and explain to the gentleman. The premiums under the current law cannot be raised during the middle of the year so that there, first, is no danger that existing beneficiaries under these plans would have their premiums raised until the end of their policy year; and, second, there would be no restrictions on their being able to maintain their policies. It is just that the salesmen, admittedly, and it may hurt the insurance salesmen because they earn their living doing this. I would just suggest that it is risky business dealing with the fragile elderly who are easily confused, and I say that Democrat elderly are as confused as Republican elderly. We ought to be able to protect them through the process.

Ms. PRYCE. Mr. Speaker, I yield 5 minutes to the gentleman from California [Mr. THOMAS], who has done a lot of work in this area and can speak to many of the concerns just raised.

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

Mr. THOMAS. Mr. Speaker, I would tell the gentleman from California, my friend and colleague who is a freshman, that at the beginning of the 104th Congress it was my privilege to follow the gentleman from California [Mr. STARK] as the chairman of the Health Subcommittee of the Committee on Ways and Means. What he probably does not realize is that this program was supposed to be a permanent program back in 1990. It moved through the Congress as a permanent program. At the 11th hour, behind closed doors, with pulled curtains, they made it a demonstration program. This whining about, gee, what is the delay—I will not yield—the delay is in the gentleman's lap completely.

It took us until 11:30 at night the last day of the 103d Congress to extend this program.

I loved the gentleman from Michigan asking what is the problem. We have plenty of time to move legislation. At 1:30 a.m. the Senate acted to extend this program. Why do they not want to move forward? They want to see the

program dead; that is why. All of these crocodile tears about seniors. What they are scared to death about is that this one little choice program among 10 other MediGap policies will show, by people choosing it, that managed care is a better way to go in the Medicare Program. They cannot stand one chink in the armor of the old-fashioned fee-for-service system to be tested at all.

Now we moved this bill through the Committee on Ways and Means on March 8. The first week in March we moved this bill.

How many members of the Committee on Ways and Means opposed this? Two. There is one of them. He convinced one other member to oppose making this permanent. The gentleman from Florida [Mr. GIBBONS], a senior himself representing a number of seniors, he is for it. The gentleman from California [Mr. MATSUI], outspoken in terms of the protection of seniors' rights, he voted for it. Thirty-one members of the Committee on Ways and Means said, ''You're right. This program should be made permanent.''

What is the rush? There are only about 18 legislative days between now and when this program expires. They want to take all the time in the world.

This objection about rights under this rule? ''How many times, when you were the majority, did you not even give us the right to recommit?''

I say to my colleagues, ''You've got two bites at the apple. You can offer your own substitute, and then you can have the motion to recommit. You can change it twice. You've got an opportunity to convince folks that making it permanent is wrong. You couldn't convince the Commerce Committee. You could only convince two members of the Ways and Means Committee.''

The idea that we did not give them 3 days to examine this rule? Notice carefully he said we are violating the 3-day rule, not on the bill, but on the rule itself. Those folks need 3 days to study a two-paragraph rule? I say to my colleagues, ''You've got your full 3 days guaranteed to the minority on the bill.''

Now, finally, what I consider absolutely egregious and outrageous, for the gentleman from California to stand up and say that the gentlewoman from Connecticut is wrong about Federal protections on this program. She said there were some; he said there were none.

I would invite the gentleman's attention to the Federal Register, August 21, 1992, beginning on page 37993, which is section 10, Medicare Select Policies and Certificates. This section shall apply to Medicare select policies and certificates, and on, and on, and on, page, after page, after page of a Federal structuring that is to be followed by the States to make sure that the seniors are protected in this program area.

This rule is a good rule, it is a fair rule, it is an appropriate rule, it is a timely rule. We will pass this rule, and then, more importantly, we will finally being to move permanently, Medicare select.

The seniors deserve a choice. These detractors continue to try to stand in the way, and we will not let them.

Mr. MOAKLEY. Mr. Speaker, I yield 5 minutes to the gentleman from California [Mr. WAXMAN] who is the ranking member of the committee.

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

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

Mr. WAXMAN. I yield to the gentleman from California.

Mr. STARK. I just wanted to correct the misstatements of the previous speaker.

On March 8 the committee report indicates that the gentleman from Florida [Mr. GIBBONS] did not vote. As a practical matter, he was out sick on that day and did not vote on this bill either way.

Second, the House of Representatives has never considered Medicare select in its deliberations. It was added about the Senators in a conference and never considered in the House of Representatives, and I stand by the statement that there are no Federal regulations covering it.

Mr. WAXMAN. Mr. Speaker, I thank the gentleman from California [Mr. STARK] for that clarification.

I must say I am absolutely astounded by the comments of the gentleman from California [Mr. THOMAS] a minute or two ago on the House floor. He seems to ignore the whole history of this proposal and then mischaracterizes what is at issue today.

The Medicare Program pays for the beneficiaries to go to the doctors and the hospitals of their choice and pays most of those costs, but there are costs that have to be incurred by the elderly. For that people go out and buy MediGap supplemental insurance policies.

There are a lot of anticonsumer practices in the sale of these policies, so in 1990 the Congress said the insurance commissioner should set up a uniform benefit package for MediGap so people can compare one policy to another. People were being sold MediGap policies to cover things that were already covered under Medicare. They were paying for coverage that they already had. The consumers were being ripped off.

So these policies were established, 10 different packages.

At the same time the Congress moved to allow people to go into HMO's and have their coverage through a health maintenance organization. Medicare select came out as a sort of different kind of policy, not an HMO, but not a complete choice of doctors and hospitals for the Medicare beneficiary. The Medicare select said that, if a senior would sign up, they could go to the doctors on the panel. If they went outside the panel, they had to pay for it. Their MediGap policy would only cover the doctors on the panel, to supplement the Medicare payments to them. It is like a preferred provider organization, and it was established as an experiment because it was the only MediGap policy being sold that did not give the consumer the free choice of doctors and other health providers.

Many consumers have found this very appealing. It has been an experiment in a number of States, and that experiment is up. But before the experiment is up, we have not had the analysis yet of how well it has done, but from those of us who have followed it, like in my own State of California, I think it has been a choice for consumers that has been well worth while.

The bill before us would make it available in all 50 States. In my opinion that may be premature, but I have no serious problem with allowing Medicare select policies in 50 States. But there are two problems that we should address. One is if someone goes into a Medicare select panel, and they do not like the doctors, and they do not feel they are being treated well in this kind of hybrid MediGap policy. They should be permitted to leave and go to another MediGap coverage policy that would give them the choice of doctors.

One of the amendments that was offered in the Committee on Commerce by a Republican Member, a doctor, the gentleman from Iowa [Mr. GANSKE]—he offered, and I supported, many of our Members supported, the ability of people, if they did not like their Medicare select policy, to be able to have a choice of another MediGap policy. They might not have this choice, they might not have it because they passed up the opportunity for another policy if they signed up on Medicare select. So we wanted to say, if Medicare select were going to be made available in all 50 States, they ought to make sure the consumers have a choice to opt out. That is a very important consumer protection.

One would think from what the gentleman from California [Mr. THOMAS] had to say it was not even an issue, but that is what we are talking about in this rule because that amendment would not even be permitted to be offered as a separate amendment on the House floor when this bill is presented.

A second issue:

If people are in a MediGap policy, they could have a fairly low rate when they start, but there is nothing to restrict the insurance companies as they get older and sicker from moving up the rate of that MediGap policy cost.

□ 1430

That seems to be a real troublesome area, where consumers can be taken advantage of. And if they are priced out of their ability to buy that Medigap policy, because they have attained a higher age and therefore can have a higher premium imposed upon them, the consumers may be priced out

of the ability to get any Medigap coverage. So we wanted to have an amendment on that issue.

The Committee on Rules offered a rule that we are now considering that will not even give us that opportunity to offer those amendments. We have to tie them all together in a substitute amendment, but not be able to offer these two distinct amendments. That is what our objection to this rule is all about. It is not that we do not want to have Medicare Select policies. It is that we do not want them marked in a way where the consumers can be disadvantaged.

Now, the rule is an unfair rule and it has been hastily put together. The bill was marked up in our committee, the Committee on Energy and Commerce, Monday evening, and we offered those two separate amendments that we are not going to be permitted to offer. The rule now before us not only would not allow these two amendments to be offered, it waives the usual 3-day layover period and it would permit the bill to be brought up even though a committee report with dissenting views has not been filed, as far as I know, by the Committee on Energy and Commerce.

I think that we ought to have an opportunity to debate these issues when the bill comes up. Some of us will support the bill, to allow Medicare Select as an option. But they should not have Medicare Select as an option that freezes people into a panel of doctors which may not be satisfactory to them and not allow them then to get another Medigap policy.

So I would urge opposition to this resolution, to allow us the opportunity to argue these separate issues, to protect the elderly consumers in this country from unscrupulous insurance practices when they go out to get their Medigap policy.

Mr. Speaker, I urge a ''no'' vote on the rule.

Ms. PRYCE. Mr. Speaker, it is my pleasure to yield 4 minutes to the distinguished Chair of the Subcommittee on Health and Environment of the Committee on Commerce, the gentleman from Florida [Mr. BILIRAKIS].

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

Mr. Speaker, I rise in support of the rule providing for the consideration of legislation to extend the current Medicare Select Program which is scheduled to expire in June.

On January 11, 1995, our colleague, the gentlewoman from Connecticut, introduced H.R. 483, a bill to amend title 18 of the Social Security Act to permit Medicare Select policies to be offered in all States, and for other purposes. That bill was referred to the Committee on Commerce as the committee of primary jurisdiction and in addition, to the Committee on Ways and Means.

On February 15, 1995, our Health and Environment Subcommittee held an oversight hearing on Medicare Select and issues related to Medicare managed care. On March 22, 1995, the subcommittee met and marked up H.R. 483 and approved the bill for full committee consideration, as amended, by a voice vote. On Monday, April 3, 1995, the full Commerce Committee met and ordered H.R. 483 reported to the House, as amended, by a voice vote, a quorum being present.

As ordered reported by the Commerce Committee, H.R. 483 would extend the Medicare Select Program for an additional 5 years and expand the coverage to include all 50 States in order to continue in an improved way the demonstration project, which is really what we are trying to do.

The Committee on Ways and Means also completed action on H.R. 483, and reported a different version of the legislation to the House. The Ways and Means Committee version of the bill extends the Medicare Select Program to all 50 States on a permanent basis.

Since the time that both committees completed action on H.R. 483, the committees have met and have developed a consensus bill, H.R. 1391, which was introduced in the House on April 4. This rule makes in order the text of H.R. 1391.

The bill to be considered would extend the Medicare Select Program for a 5-year period and expands the coverage to all 50 States.

The bill would also require the Secretary of the Department of Health and Human Services to conduct a study comparing the health care costs, quality of care, and access to services under Medicare select policies with other Medigap policies. This study must be completed by the end of 1998. Based on the results of this study, the Secretary must make a determination that the Medicare Select Program is permanent unless the study finds that, first, Medicare select has not resulted in savings to Medicare select enrollees, second, it has led to significant expenditures in the Medicare Program, or third, it has significantly diminished access to and quality of care.

I think this bill provides for a reasonable balance that will permit a valuable and innovative program for our senior citizens to be continued while permitting a more informed evaluation of the program. We must remember that Medicare select is a Medigap insurance policy which provides seniors with another option to receive medical care. By giving the elderly more choices within Medigap, we give them the option to pick plans which meet their individual needs.

Mr. Speaker, I urge adoption of this rule that will provide for consideration of this important legislation.

Mr. MOAKLEY. Mr. Speaker, I yield 4 minutes to the gentleman from Oregon [Mr. WYDEN].

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

Mr. WYDEN. Mr. Speaker, I rise in opposition to the rule, and specifically would like to address the comment that the gentleman from California [Mr. THOMAS] made earlier about the views that somehow Democrats are a little bit frightened of managed care or skeptical of its benefits.

I come from an area with one of the highest concentrations of Medicare and managed care in our country, and we know that there can be good managed Medicare. But in our programs, there is real choice. There are real options. And that is why we are concerned about this rule, because we think it takes away needed options from senior citizens.

Frankly, because I believe that when we come back the other side will be proposing major cuts in Medicare that are going to take additional choices and options away from seniors, I think it is very important that in Medicare select we build in some more choices and some more consumer protections.

For example, my friends on the other side are not worried about attained age pricing in their bill. What that means is that the prices the senior citizens pay go up with the age of the older person. A lot of these older people have no idea about the rate hikes that are going to hit them with Medicare select.

We hear that seniors are happy at this point about Medicare select. Of course they are, because the product is new. A lot of these older people may have only had it for 18 months. They got a statement, maybe a disclosure form, that said there was going to be attained age pricing. It did not prepare them for the rate shock that is coming.

Let us vote against this rule, let us fashion an alternative, that provides real choice to older people. Let us offer an alternative that protects senior citizens against draconian rate hikes.

Mr. Speaker, I urge my colleagues to vote against this rule, and then fashion a bipartisan program that will protect the rights of older people in our country.

Ms. PRYCE. Mr. Speaker, I yield 2 minutes to the gentleman from California [Mr. BILBRAY], a distinguished new Member who has much experience.

Mr. BILBRAY. Mr. Speaker, let me just say as somebody who is new on the block, but has been involved in many programs that have been mandated, allowed, and pursued by the Federal Government, one of the greatest frustrations a constituency in America has is when Washington starts sending mixed signals and then waits for the last minute to give a go-ahead. The inconsistency of the political process in Congress is always frustrating for the constituents out in real world America. They watch us in the House and they watch the Senate with their faster than light process of coming to a conclusion to let America know what the rules are that they are going to be able to live by.

Well, I strongly support this proposal, because I think we need to send a clear message to our seniors, not only in California where we have over 100,000 seniors that have made this

choice, Mr. Speaker, but also many other States where this opportunity is needed.

Mr. Speaker, I know there are those who fear the MediGap concept. I know there are those who want to defend to their dying day the fee for service, even if it means denying an alternative to fee for service to our seniors.

Mr. Speaker, I strongly urge my colleagues, not as just a Member of Congress, but as somebody who has not so long ago been a consumer of the products that come out of Congress, let us send that clear message as quick as possible, let us make sure the consumer knows what the rules are, and let Congress get its job done in time so the seniors know the rules that they are going to be expected to play by.

Mr. MOAKLEY. Mr. Speaker, I yield 1 minute to the gentleman from California [Mr. STARK].

Mr. STARK. Mr. Speaker, may I engage the gentlewoman from Ohio [Ms. PRYCE] in a colloquy for a moment.

Mr. Speaker, I gather that the majority feels that we should move ahead rapidly with this bill, and I begin to sense that we are not going to have any opportunity to amend it.

Ms. PRYCE. Mr. Chairman, will the gentleman yield?

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

Ms. PRYCE. Mr. Speaker, I disagree with the gentleman. There are two opportunities.

Mr. STARK. Mr. Speaker, the gentlewoman from Ohio is correct. I am sure we are not making many friends with all this, but this is one of the things we might do to accommodate many of our colleagues who might like to end the 100 days sooner: Is there any reason in the rule that the bill could not be considered this afternoon?

Ms. PRYCE. Mr. Speaker, if the gentleman will yield further, It is my understanding we are protecting the rights of the minority.

Mr. STARK. Mr. Speaker, I am about to suggest, if the minority would be willing to accept unanimous consent, that the bill be considered today, so in a matter of comity we are prepared and would be happy to proceed, and I am sure we would make a lot of friends.

Mr. Speaker, I do not believe unanimous consent is necessary, but I ask unanimous consent that the bill be considered today.

Mr. SOLOMON. Mr. Speaker, I reserve the right to object.

The SPEAKER pro tempore (Mr. HOBSON). The gentleman from California [Mr. STARK] was not recognized for the purpose of making a unanimous-consent request. The unanimous consent request is not entertained.

Mr. SOLOMON. Mr. Speaker, If the gentleman would yield, let me just say to the gentleman, as the gentleman from Massachusetts [Mr. MOAKLEY] has said, we did defend the minority's rights. We wanted to give 3 days for the minority's views. I always insisted on it when I was in the minority. You have just filed your minority views, and we have Members on this side of the aisle that would like to have time to look at your minority views. We value your views, seriously.

Mr. MOAKLEY. Mr. Speaker, I yield 1 minute to the gentleman from Michigan [Mr. DINGELL].

Mr. DINGELL. Mr. Speaker, I understand that my views on this matter have created vast distress on the part of my Republican colleagues. They are very easily distressed, and this pains me. For the help of my colleagues on that side, I would say I do not mind bringing the bill up today or tomorrow. If the leadership on that side wants to do it, they can do it. They have been quite wanton in disregard of the rights of the minority and in disregard of the rules, and I see no reason why I would object to further practices of that sort at this time.

So if the leadership on the other side wants to bring this bill up, they control this place. I would suggest that they should commence doing so forthwith, and then we will hear less complaining on the Republican side about how this side, in insisting on the orderly conduct of the business of the House and the proper conduct of the business and protection of the rights of the minority, is delaying the conduct of the business of the House, which we in fact are not doing.

The bill is going to be passed. It needs to be perfected. It will not be passed as perfected because the Republicans will not participate in the perfection of it by eliminating two very significant problems, which the amendments to be offered by this side would perfect.

□ 1445

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

Ms. PRYCE. Mr. Speaker, I yield 30 seconds to the gentleman from California [Mr. THOMAS].

Mr. THOMAS. Mr. Chairman, I thank the gentlewoman for yielding time to me.

I do have to compliment the minority. I thought perhaps they were not learning to become the minority quite as quickly as we had hoped they would. But what we have just heard on the part of the minority is an absolute denouncement of the rule because it denies them the privileges of the minority on the 3-day rule. And then less then 20 minutes later, standing up and deciding, maybe they really did not want that 3-day period.

They talked about the fact that this does not need to be rushed through at all. And then less than an hour later, gee, we might as well expedite the business of the House.

I compliment them that both sides of the mouth is working well.

Mrs. COLLINS of Illinois. Mr. Speaker, I rise in opposition to the closed rule on HR. 483, the Expanded Use of Medicare Select Policies Act that would extend the Medicare Select demonstration program that currently exists in my State of Illinois and 14 other States and would allow all 50 States to participate.

Once again, despite the promises and pledges by the Republicans to allow open debate on the House floor, we are being forced to accept a closed rule that only permits one amendment to be considered. Several germane amendments that were submitted for consideration have been rejected outright with no explanation given. Yet again, free debate is stifled by this rule that permits only 1 hour of debate. Mr. Speaker, this is clearly not sufficient time for the two committees of jurisdiction to debate the bill and the substitute to be discussed.

As we have seen since the 104th Congress first convened in January, the Republicans talk a good talk. They pledge their dedication to free and open debate, they declare how committed they are to the open rule process and yet, once again, we are being bound and gagged with a closed rule for no apparent reason. We are forced to race through the debate at top speed with no chance to truly discuss or debate the important bill before us.

I intend to oppose this rule and I urge my colleagues to do the same.

Ms. PRYCE. Mr. Speaker, I yield back the balance of my time, and I move the previous question on the resolution.

The previous question was ordered.

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

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

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

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

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 253, nays 172, not voting 9, as follows:

[Roll No. 298]

YEAS—253

Allard	Burton	Doolittle
Armey	Buyer	Dornan
Bachus	Callahan	Dreier
Baker (CA)	Calvert	Duncan
Baker (LA)	Camp	Dunn
Ballenger	Canady	Ehlers
Barr	Castle	Ehrlich
Barrett (NE)	Chabot	Emerson
Bartlett	Chambliss	English
Barton	Chenoweth	Ensign
Bass	Christensen	Everett
Bateman	Chrysler	Ewing
Bereuter	Clinger	Fawell
Bevill	Coble	Fields (TX)
Bilbray	Coburn	Flanagan
Bilirakis	Collins (GA)	Foley
Bliley	Combest	Forbes
Blute	Condit	Fowler
Boehlert	Cooley	Fox
Boehner	Cox	Franks (CT)
Bonilla	Crane	Franks (NJ)
Bono	Crapo	Frelinghuysen
Borski	Cremeans	Frisa
Brewster	Cubin	Funderburk
Brownback	Cunningham	Gallegly
Bryant (TN)	Davis	Ganske
Bunn	de la Garza	Gekas
Bunning	DeLay	Geren
Burr	Diaz-Balart	Gilchrest

Gillmor
Gilman
Goodlatte
Goodling
Gordon
Goss
Graham
Greenwood
Gunderson
Gutknecht
Hancock
Hansen
Hastert
Hastings (WA)
Hayes
Hayworth
Hefley
Heineman
Herger
Hilleary
Hobson
Hoke
Horn
Hostettler
Houghton
Hunter
Hutchinson
Hyde
Inglis
Istook
Jacobs
Johnson (CT)
Johnson, Sam
Jones
Kasich
Kelly
Kennelly
Kim
King
Kingston
Kleczka
Klug
Knollenberg
Kolbe
LaHood
Latham
LaTourette
Laughlin
Lazio
Leach
Lewis (CA)
Lewis (KY)
Lightfoot
Linder
Livingston
LoBiondo
Longley
Lucas
Manzullo
Martini
McCollum
McCrery
McDade
McHugh
McInnis
McIntosh
McKeon
Metcalf
Meyers
Mica
Miller (FL)
Molinari
Montgomery
Moorhead
Moran
Morella
Myers
Myrick
Nethercutt
Neumann
Ney
Norwood
Nussle
Oxley
Packard
Parker
Paxon
Pelosi
Peterson (MN)
Petri
Pombo
Pomeroy
Porter
Portman
Pryce
Quillen
Quinn
Radanovich
Ramstad
Regula
Riggs
Roberts
Roemer
Rogers
Rohrabacher
Ros-Lehtinen
Rose
Roth
Roukema
Royce
Salmon
Sanford
Saxton
Scarborough
Schaefer
Schiff
Seastrand
Sensenbrenner
Shadegg
Shaw
Shays
Shuster
Skeen
Skelton
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Solomon
Souder
Spence
Spratt
Stearns
Stenholm
Stockman
Stump
Talent
Tate
Tauzin
Taylor (NC)
Thomas
Thornberry
Tiahrt
Torkildsen
Torricelli
Traficant
Upton
Vucanovich
Waldholtz
Walker
Walsh
Wamp
Ward
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Wilson
Wolf
Young (AK)
Young (FL)
Zeliff
Zimmer

NAYS—172

Abercrombie
Andrews
Baesler
Baldacci
Barcia
Barrett (WI)
Becerra
Beilenson
Bentsen
Berman
Bishop
Bonior
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
Deal
DeFazio
DeLauro
Dellums
Deutsch
Dicks
Dingell
Dixon
Doggett
Dooley
Doyle
Durbin
Edwards
Engel
Eshoo
Evans
Farr
Fattah
Fazio
Fields (LA)
Filner
Flake
Foglietta
Ford
Frank (MA)
Furse
Gejdenson
Gephardt
Gibbons
Gonzalez
Green
Gutierrez
Hall (OH)
Hall (TX)
Hamilton
Harman
Hastings (FL)
Hefner
Hinchey
Hoekstra
Holden
Hoyer
Jackson-Lee
Jefferson
Johnson (SD)
Johnson, E. B.
Johnston
Kanjorski
Kaptur
Kennedy (MA)
Kennedy (RI)
Kildee
Klink
LaFalce
Lantos
Levin
Lewis (GA)
Lincoln
Lipinski
Lofgren
Lowey
Luther
Maloney
Manton
Markey
Martinez
Mascara
Matsui
McCarthy
McDermott
McHale
McKinney
McNulty
Meehan
Meek
Menendez
Mfume
Mineta
Minge
Mink
Moakley
Mollohan
Murtha
Nadler
Neal
Oberstar
Obey
Olver
Ortiz
Orton
Owens
Pallone
Pastor
Payne (NJ)
Payne (VA)
Peterson (FL)
Pickett
Poshard
Rahall
Rangel
Reed
Richardson
Rivers
Roybal-Allard
Rush
Sabo
Sanders
Sawyer
Schroeder
Schumer
Scott
Serrano
Sisisky
Skaggs
Slaughter
Stark
Stokes
Studds
Stupak
Tanner
Taylor (MS)
Tejeda
Thompson
Thornton
Thurman
Torres
Towns
Tucker
Velazquez
Vento
Visclosky
Volkmer
Waters
Watt (NC)
Waxman
Williams
Wise
Woolsey
Wyden
Wynn
Yates

NOT VOTING—9

Ackerman
Archer
Chapman
Dickey
Frost
Hilliard
Largent
Miller (CA)
Reynolds

□ 1505

Mr. HOLDEN and Mr. GEJDENSON changed their vote from ''yea'' to ''nay.''.

Mr. LAZIO of New York 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.

URGING IMMEDIATE ACTION ON H.R. 483

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

Mr. DINGELL. Mr. Speaker, on this side we are ready to bring up debate and deal with H.R. 483. I would urge the majority to call it up at the earliest possible moment.

CONFERENCE REPORT ON S. 244, PAPERWORK REDUCTION ACT OF 1995

Mr. CLINGER. Mr. Speaker, I call up the conference report on the Senate bill, S. 244, to further the goals of the Paperwork Reduction Act to have Federal agencies become more responsible and publicly accountable for reducing the burden of Federal paperwork on the public, and for other purposes.

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore (Mr. MCINNIS). Pursuant to the rule, the conference report is considered as read.

(For conference report and statement, see proceedings of the House of Monday, April 3, 1995, at page H4093.)

The SPEAKER pro tempore. The gentleman from Pennsylvania [Mr. CLINGER] will be recognized for 30 minutes, and the gentleman from Minnesota [Mr. PETERSON] will be recognized for 30 minutes.

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

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

Mr. Speaker, I am very pleased to bring to the floor today the conference agreement on the reauthorization of the Paperwork Reduction Act. It is the first reauthorization since the act expired in 1989.

The House version, I would remind my colleagues, of this bill was approved by an overwhelming vote, a unanimous vote, of 418 to nothing. The conference report very closely resembles the excellent provisions which were included in our original bill. There are several provisions which I would just like to discuss for the RECORD.

First, the conference bill reauthorizes the appropriation for the Office of Management and Budget's Office of Information and Regulatory Affairs, so-called OIRA, for 6 years, OIRA is the key office responsible for implementing the provisions of the Contract With America's regulatory reduction goals which are moving through this Congress. OIRA had a permanent authorization which I had hoped the other body would accept. Six years, however, which is what is provided in the conference report, should provide OIRA with a significant authorization to implement the regulatory reforms called for by the Contract With America.

Second, the bill strengthens the requirements of existing law to ensure that agencies develop low-burden, better-quality collections of information that in particular reduce the compliance requirements and paperwork costs for small businesses. This is clearly a very meritorious objective, to take away some of this overwhelming burden that we have imposed on small businesses over the years in the form of regulatory requirements.

Third, it overturns the 1990 Supreme Court case of Dole versus the United Steel Workers of America, which thereby restores the full coverage of the Paperwork Reduction Act over third-party disclosure requirements, which was originally included in this act.

Fourth, Mr. Speaker, and most importantly, the conference bill protects the public by providing citizens with a complete legal defense if agencies refuse to participate in a clearance process involving public notice and comment, public protection, and OIRA review. This provision is based on the very excellent amendment which was offered on the House floor by our colleague, the gentleman from Idaho, Mr. MIKE CRAPO.

Finally, Mr. Speaker, the legislation mandates a paperwork reduction goal of 10 percent for the next 2 years, as proposed in the committee amendment offered by our colleague, the gentleman from Pennsylvania, Mr. JON FOX.

The remainder of the bill was discussed at length during consideration of the House-passed bill on February 22. As I say, those were the only changes that were implemented in this conference report, so I would encourage all Members to support this conference report.

Let me conclude my remarks by expressing my appreciation to those who

helped in drafting this bill and the conference report. In addition to all of my committee members, I particularly appreciate the efforts of the House conferees, the gentleman from New York, JOHN MCHUGH, the gentleman from Indiana, DAVID MCINTOSH, the gentleman from Pennsylvania, JON FOX, the gentlewoman from Kansas, JAN MEYERS, the gentlewoman from Illinois, CARDISS COLLINS, the gentleman from Minnesota, COLLIN PETERSON, and the gentleman from West Virginia, BOB WISE.

I also want to thank the Senate conferees, Senators BILL ROTH, BILL COHEN, THAD COCHRAN, JOHN GLENN, and SAM NUNN; and, finally, express my deep appreciation to the staff of the conferees who worked so tirelessly to produce this much-needed reauthorization of OIRA, the first in 6 years.

Therefore, again, I would just encourage all Members to support enactment of this report, and continue the good work of our predecessors who started the drafting of this legislation back in 1980. It is overdue.

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

Mr. PETERSON of Minnesota. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of the conference report for S. 244, the Paperwork Reduction Act of 1995. This legislation received broad bipartisan support in both houses, and the conference committee has reported a stronger bill.

Mr. Speaker, the Paperwork Reduction Act of 1995 reflects the sentiment that sometimes, Federal agencies ask for too much paperwork from large and small businesses alike. Agency officials, often highly specialized in the programs they administer, require information, surveys, and questionnaires that place a substantial burden on companies while providing benefits that are not always apparent.

The Paperwork Reduction Act sets up a check by reauthorizing the Office of Information and Regulatory Affairs within the Office of Management and Budget to review all information collection requests before they are approved.

It is OIRA's job to approve information requests only if the collection of information is necessary for the proper performance of the functions of the agency, including whether the information shall have practical utility. OIRA must also ensure that the requests have been open for public comment and that legitimate concerns are addressed. These requirements stem from the recognition that information requests are often time consuming and costly to comply with.

The Paperwork Reduction Act also authorizes another important function, that of providing Government information to the public. The bill charges OIRA with overseeing the dissemination of information to the public by agencies, as well as providing central guidance for public access to that information.

It must oversee agency efforts to provide privacy, confidentiality, security, disclosure, and the sharing of Government information. These are very important policies that cannot be left to the whims of individual agencies.

Mr. Speaker, the conferees made substantial improvements to the bill as reported by the House. Let me briefly describe those changes.

First, the House bill had made the Office of Information and Regulatory and Affairs within OMB a permanent office with permanent authorization. That would have given away Congress' ability to regularly review OIRA by not requiring OIRA to justify and defend its operations during reauthorization hearings.

OIRA, because of its pivotal role in the regulatory process, has been at the center of controversy since its inception in 1980. Reauthorization hearings allow Congress to closely examine how this Office is working, whether you believe it has too much influence or not enough control over agency regulations. To give permanent authorization would have resulted in ceding a key congressional function to the executive branch, which I know is something the 104th Congress is fond of doing.

Fortunately, the conference committee recognized the need for regular review of this Office, and agreed to a 6-year authorization.

Second, the conferees dropped a provision in the House bill authorizing the head of OIRA to waive statutory requirements that agencies not charge more than their marginal copying costs for making Government information publicly available.

This world have been a sharp departure from the policy that while agencies are allowed to charge the actual cost of copying Federal records, they cannot subsidize their operating budgets through higher fees.

This would have resulted in far higher costs for public libraries, the public interest community, and the information industry, and therefore the conference committee wisely rejected this change.

In addition, the Senate bill contained two provisions eliminating hundreds of statutorily required reports. The conference committee dropped these provisions.

Mr. Speaker, both houses included a provision requiring workplace safety notifications required by Federal regulatory agencies to be submitted for OMB clearance. This provision, which overturns a Supreme Court decision, leaves workers at the mercy of politicians instead of safety experts. I would have preferred that his new provision be dropped, but because it was included in both bills, it was retained.

I would hope that OMB would use its new authority only with a view toward paperwork, and not as a mechanism to overturn statutory requirements for full disclosure of safety hazards at the workplace.

I would like to commend Chairmen CLINGER and ROTH, Senator GLENN, and all the other conferees for quickly resolving all of these issues and reporting back a bill that all of us can support.

□ 1515

Mr. CLINGER. Mr. Speaker, I yield 2 minutes to the gentleman from New Jersey [Mr. MARTINI], a very valued freshman member of the committee.

Mr. MARTINI. I thank the gentleman for yielding me the time.

Mr. Speaker, first I would like to compliment the chairman and the other members who worked on this conference report. I rise today to express my support for the Paperwork Reduction Act conference report.

Mr. Speaker, the era of big taxing, big spending, and Big Government is finally over. The taxers, the takers, and Government rulemakers are out of business. Congress is taking steps to reduce the size and scope of the Federal Government.

As a member of the Committee on Government Reform and Oversight, I have worked to get Government off the back of business both large and small.

This act will reduce the paperwork burden that hinders both large and small business across our Nation. By decreasing Government paperwork, we will allow companies to do what they do best, expand their businesses and create jobs.

The Council on Regulatory Information Management has estimated that American businesses spend over 10 billion hours a year meeting Federal paperwork requirements. This is simply unacceptable. By easing paperwork requirements, small businesses will now be able to better compete in the global market and in the 21st century.

Mr. Speaker, in a recent meeting of business leaders of the Eighth Congressional District of New Jersey, my constituents complained of the noose that Washington puts around their necks and their businesses' necks.

Mr. Speaker, they have spoken and we have listened. We made a contract with the American people and I am proud to say that we have stood firm and delivered today. This important legislation is the first step toward returning common sense to Government regulation, and I urge support of the conference report.

Mr. PETERSON of Minnesota. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from Louisiana [Mr. TAUZIN].

Mr. TAUZIN. I thank the gentleman for yielding me the time.

Mr. Speaker, I rise in support of the conference report. We went through a very elaborate debate on this floor regarding regulatory reform. The extraordinary effort this House has made to change the way in which agencies of this Government regulate businesses

and entities and individuals in our society is, I think, historic. I hope, indeed, that before this session gets too much older, we can see a conference report on those regulatory reform bills. They are critical to the future success of this country and to a new relationship between the Government and those people in this country who created it and who expect their Government to start serving them again instead of being their master.

Paperwork reduction is a key component of that. Reauthorizing this act, improving it, strengthening it, giving the OMB additional authorities to cut down on the level of paperwork required in business and industry and small business and by individuals in our society is a key element of regulatory reform. More and more people in small business tell me it's not so much the regulation, it's not so much having to comply, it's the enormous paperwork, the reporting we have to do, not to one agency but to 5, 6, 7, 10 agencies on the same activity.

The load of paperwork, the load of extra, unproductive work done in a small business to comply with regulations just in paperwork is crippling our productivity. This conference report will give us a chance to complete, if you will, that effort in regulatory reform, not only to change the way in which regulations are made in this country but hopefully one day to lower the level of reports and paperwork required of small businesses and individuals in our society.

I urge my colleagues to adopt this conference report.

Mr. CLINGER. Mr. Speaker, I yield 3 minutes to the gentleman from Idaho [Mr. CRAPO] for the purposes of a colloquy.

Mr. CRAPO. I thank the gentleman the chairman for yielding me the time.

Mr. Speaker, before I begin my colloquy, I would like to mirror the comments of our colleagues on both sides of the aisle about the importance of this historic opportunity to bring regulatory reform to the forefront in the Congress.

Mr. Speaker, I comment the chairman of the committee and Subcommittee Chairman DAVID MCINTOSH and House Small Business Committee Chairwoman JAN MEYERS for bringing this conference report to the floor. I strongly support the conference report and believe it will provide immediate benefits to business across the country.

In that regard, I am particularly pleased that the final version of this legislation contains an amendment offered by myself, and Congressman TOM DELAY and DAVID MCINTOSH, which passed unanimously on the House floor, that expressly provides for the enforcement mechanism implicit in section 3512 as it was originally enacted by Congress in 1980, and, therefore, put teeth in the public protection provisions of the Paperwork Reduction Act. This should end any confusion which may exist in the courts and Federal agencies about how section 3512 was originally intended to work by codifying existing law.

Mr. Speaker, is it your understanding that the amendments made to section 3512 are intended to clarify that a penalty imposed by a Federal agency based on failure to comply with an information request that does not bear on OMB control number is not enforcable, and had always provided the public with the right to petition the agencies or courts for complete relief at any time during the agency or court review process to eliminate the effects of any penalty.

Mr. CLINGER. Mr. Speaker, if the gentleman will yield, let me say that the gentleman is correct. The conference report is intended to clarify that it is the intent of Congress that section 3512 requires agency information collection requests applicable to 10 or more members of the public to be submitted to OMB and receive a valid control number. If not, the public need not respond, no may it be subjected to any penalty for failing to comply with such an unenforceable collection of information.

Mr. CRAPO. I thank the chairman of the committee. If the gentleman would respond to one more question, I would like to ask, is it the chairman's understanding that section 3512 will become effective as of October 1, 1995, and will apply to all cases then pending before the Federal agencies or the courts?

Mr. CLINGER. Mr. Speaker, the gentleman is absolutely correct. As of October 1, 1995, the defense provided in section 3512 is available at any time in an ongoing dispute.

Mr. CRAPO. Mr. Speaker, I thank the gentleman.

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

Mr. CLINGER. Mr. Speaker, I yield 1 minute to the gentleman from Pennsylvania [Mr. FOX], another very valued freshman member of the committee.

Mr. FOX of Pennsylvania. Mr. Speaker, I rise in support of S. 244, the Paperwork Reduction Act. I want to thank the gentleman from Pennsylvania [Mr. CLINGER] for his initiative on this issue.

This legislation is long awaited and takes the necessary steps to help Federal agencies reduce their paperwork and better utilize information technology. It sets a goal of 10-percent paperwork burden reduction for fiscal year 1996 and 1997 and a 5-percent goal thereafter. This is an attainable goal.

Passage of this legislation is imperative in keeping our reform goals and serving as active players in the information age. Therefore, I ask my colleagues to give full support to this important bill.

Mr. CLINGER. Mr. Speaker, I yield 3 minutes to the gentlewoman from Kansas [Mrs. MEYERS], the chairman of the Committee on Small Business who was a conferee on this measure and made many valuable contributions to the production of this bill and particularly recognizing the burden that we had placed on small business over the years. She has been a real tiger protecting their interests.

(Mrs. MEYERS of Kansas asked and was given permission to revise and extend her remarks.)

Mrs. MEYERS of Kansas. Mr. Speaker, on behalf of nearly all the small business organizations across the country who have for 6 years supported efforts to enact the Paperwork Reduction Act of 1995, and on behalf of the Small Business Committee, I want to proclaim hallelujah. There has been a lot of hard work that has gone into this. Everyone can feel proud that the job has been done well.

This is very strong legislation we are sending to the President. It is a good bill. It establishes a solid legislative framework to reduce the burdens of regulatory paperwork on small business and the American public generally.

I want to particularly acknowledge the work of the broad-based Paperwork Reduction Act coalition, a group of some 70 organizations. They were led by the U.S. Chamber, the National Federation of Independent Businesses, the National Association of Manufacturers, National Small Business United, Citizens for a Sound Economy, and the Council on Regulatory and Information Management. The coalition was most helpful in ensuring this bill had bipartisan support.

It is worth noting Mr. Speaker, that this legislation benefited from a 418-to-0 vote in the House; a 99-to-0 vote in the Senate. There was not a single vote of opposition. That sends a strong signal from Congress to the executive branch that they want the tools in this act used vigorously to reduce the burdens of regulatory paperwork.

□ 1530

We have in this bill now a 6-year organization that is a target of 10 percent for 2 years, and 5 percent after that of reduction of paperwork; a provision that if paperwork is required, the regular regulation must state how long it must be kept. And I think that is very important because we could save millions in this country. There are people paying for storage of paperwork all over this country that we could probably do without.

The public protection provision of this act has been strengthened, and we have the amendment of the gentleman from Idaho [Mr. CRAPO] to thank for that. The feature of the law is intended to help the public self-police the commonsense management principles contained in the law. If, for example, a recordkeeping requirement does not display an OMB control number, then no one can be penalized for failing to comply if a control number is displayed that shows the agency has checked for

duplication, allowed for public comments, and submitted a justification for OIRA review and approval.

This is particularly important, Mr. Speaker, for small business. Paperwork is difficult for all business. The costs are enormous. The Paperwork Reduction coalition thinks that 10 billion hours and $510 billion are spent every year doing paperwork. It is particularly difficult for small business because they frequently do not have an office manager or other personnel to handle it.

I am very grateful, I am proud to be a conferee on this bill, and I urge strong support of S. 244.

Mr. CLINGER. Mr. Speaker, I am pleased to yield 1 minute to the gentleman from Virginia [Mr. DAVIS], another member of our committee, a freshman who is chairman of our District of Columbia Committee who has done valiant work in that area. Even today he has been doing valiant work in that area.

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

Mr. Speaker, I want to once again congratulate Chairman CLINGER for shepherding yet another bill through both bodies and being able to send it on to the President for signature.

The House action has really succeeded in this with the following: We are authorizing appropriations for the OIRA for 6 years, we are establishing clear guidance for agencies to follow in developing good quality but low-burden forms, including the need to seek public comment before submitting the form to the Office of Information and Regulatory Affairs for review. We are focusing specific attention to the need for agencies to the extent practicable and appropriate to reduce reporting burdens on small business, including the use of techniques set forth in the Regulatory Flexibility Act. We have included third-party-disclosure requirements in the definition of collection of information, returning this act to its original intended scope by overturning the Supreme Court Dole versus Steelworkers decision, and it has agencies give added attention to the management of information technology in performing agency missions.

Mr. Speaker, once again I want to congratulate Chairman CLINGER and other Members who made this possible, and I am proud to get up here today and support it.

Mr. PETERSON of Minnesota. Mr. Speaker, we have no further requests for time. Again I urge my colleagues to support S. 244.

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

Mrs. MALONEY. Thank you, Mr. Speaker. I want to congratulate all who have been so involved in this effort—especially Chairman CLINGER and Ranking Member Congresswoman CARDISS COLLINS.

The Paperwork Reduction Act has been unauthorized since 1989. Some look at that fact as justification for the permanent authorization that was included in the House version of this bill.

I disagree, and offered amendments both in committee and on the floor to limit the period of reauthorization.

Happily, the Conference Committee agreed with me and placed a 6-year sunset on this legislation.

We have made a number of new initiatives in this bill—a new and higher goal on reducing paperwork; specific paperwork reduction goals for each agency; new information dissemination policy; new policy on statistics; and increased responsibility for agencies in incorporating public comment.

The 6 year authorization included in this conference report will allow us to revisit these initiatives to determine their effectiveness.

Frankly Mr. Speaker, there are a number of groups that are not to particularly happy with this bill.

Statisticians feel that the section on statistical policy should be stronger.

Librarians are concerned that the principles of public access to government information could be stated more strongly.

Businesses that specialize in repackaging government information want their access to that information more clearly defined.

For each of these groups and many others, reauthorization will provide the opportunity to make their case again.

It assures a continuing role of and by the public in the legislative process.

Furthermore, as technology improves, this legislation may well become seriously outdated. We cannot predict the impact of the information revolution.

Reauthorization will force us to keep information policy up with technology.

I am pleased that the conference committee agreed to a limited authorization for this bill. The Paperwork Reduction Act is a crucial piece of our public information policy and it is important that we not let it get out of date.

Mr. CLINGER. Mr. Speaker, I also have no further requests for time. I urge a unanimous vote for this very good conference report to reauthorize OIRA for a 6-year period.

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

The SPEAKER pro tempore (Mr. MCINNIS). Without objection, the previous question is ordered on the conference report.

There was no objection.

The SPEAKER pro tempore. The question is on the conference report.

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

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

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

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 423, nays 0, answered ''present'' 2, not voting 9, as follows:

[Roll No 299]

YEAS—423

Abercrombie
Allard
Andrews
Archer
Armey
Bachus
Baesler
Baker (CA)
Baker (LA)
Baldacci
Ballenger
Barcia
Barr
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bass
Bateman
Beilenson
Bentsen
Bereuter
Berman
Bevill
Bilbray
Bilirakis
Bishop
Bliley
Blute
Boehlert
Boehner
Bonilla
Bonior
Bono
Borski
Boucher
Brewster
Browder
Brown (CA)
Brown (FL)
Brown (OH)
Brownback
Bryant (TN)
Bryant (TX)
Bunn
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Canady
Cardin
Castle
Chabot
Chambliss
Chenoweth
Christensen
Chrysler
Clay
Clayton
Clement
Clinger
Clyburn
Coble
Coburn
Coleman
Collins (GA)
Collins (IL)
Collins (MI)
Combest
Condit
Conyers
Cooley
Costello
Cox
Coyne
Cramer
Crane
Crapo
Cremeans
Cubin
Cunningham
Danner
Davis
de la Garza
Deal
DeFazio
DeLauro
DeLay
Dellums
Deutsch
Diaz-Balart
Dicks
Dingell
Dixon
Doggett
Dooley
Doolittle
Dornan
Doyle
Dreier
Duncan
Dunn
Durbin
Edwards
Ehlers
Ehrlich
Emerson
Engel
English
Ensign
Eshoo
Evans
Everett
Ewing
Farr
Fattah
Fawell
Fazio
Fields (LA)
Fields (TX)
Filner
Flake
Flanagan
Foglietta
Foley
Forbes
Ford
Fowler
Fox
Frank (MA)
Franks (CT)
Franks (NJ)
Frelinghuysen
Frisa
Funderburk
Furse
Gallegly
Gejdenson
Gekas
Gephardt
Geren
Gibbons
Gilchrest
Gillmor
Gilman
Gonzalez
Goodlatte
Goodling
Gordon
Goss
Graham
Green
Greenwood
Gunderson
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hamilton
Hancock
Hansen
Harman
Hastert
Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Hefley
Hefner
Heineman
Herger
Hilleary
Hilliard
Hinchey
Hobson
Hoekstra
Hoke
Holden
Horn
Hostettler
Houghton
Hoyer
Hunter
Hutchinson
Hyde
Inglis
Istook
Jackson-Lee
Jacobs
Jefferson
Johnson (CT)
Johnson (SD)
Johnson, E. B.
Johnson, Sam
Johnston
Jones
Kanjorski
Kaptur
Kasich
Kelly
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kim
King
Kingston
Kleczka
Klink
Klug
Knollenberg
Kolbe
LaFalce
LaHood
Lantos
Largent
Latham
LaTourette
Laughlin
Lazio
Leach
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Lightfoot
Lincoln
Linder
Lipinski
Livingston
LoBiondo
Lofgren
Longley
Lowey
Lucas
Luther
Maloney
Manton
Manzullo
Markey
Martinez
Martini
Mascara
Matsui
McCarthy
McCollum
McCrery
McDade
McDermott
McHale
McHugh
McInnis
McIntosh
McKeon
McKinney
McNulty
Meehan
Meek
Menendez
Metcalf
Meyers
Mfume
Mica
Miller (CA)
Miller (FL)
Mineta
Minge
Mink
Moakley
Molinari
Mollohan
Montgomery
Moorhead
Moran
Morella
Murtha
Myers
Myrick
Nadler
Neal
Nethercutt
Neumann
Ney
Norwood
Nussle

Oberstar	Sanders	Thomas
Obey	Sanford	Thompson
Olver	Sawyer	Thornberry
Ortiz	Saxton	Thornton
Orton	Scarborough	Thurman
Owens	Schaefer	Tiahrt
Oxley	Schiff	Torkildsen
Packard	Schroeder	Torres
Pallone	Schumer	Torricelli
Parker	Scott	Towns
Pastor	Seastrand	Traficant
Paxon	Sensenbrenner	Tucker
Payne (NJ)	Serrano	Upton
Payne (VA)	Shadegg	Velazquez
Peterson (FL)	Shaw	Vento
Peterson (MN)	Shays	Visclosky
Petri	Shuster	Volkmer
Pombo	Sisisky	Vucanovich
Pomeroy	Skaggs	Waldholtz
Porter	Skeen	Walker
Portman	Skelton	Walsh
Poshard	Slaughter	Wamp
Pryce	Smith (MI)	Ward
Quillen	Smith (NJ)	Waters
Quinn	Smith (TX)	Watt (NC)
Radanovich	Smith (WA)	Watts (OK)
Rahall	Solomon	Waxman
Ramstad	Souder	Weldon (FL)
Reed	Spence	Weldon (PA)
Regula	Spratt	Weller
Richardson	Stark	White
Riggs	Stearns	Whitfield
Rivers	Stenholm	Wicker
Roberts	Stockman	Williams
Roemer	Stokes	Wilson
Rogers	Studds	Wise
Rohrabacher	Stump	Wolf
Ros-Lehtinen	Stupak	Woolsey
Rose	Talent	Wyden
Roth	Tanner	Wynn
Roukema	Tate	Yates
Royce	Tauzin	Young (AK)
Rush	Taylor (MS)	Young (FL)
Sabo	Taylor (NC)	Zeliff
Salmon	Tejeda	Zimmer

ANSWERED ''PRESENT''—2

Becerra	Roybal-Allard

NOT VOTING—9

Ackerman	Frost	Pickett
Chapman	Ganske	Rangel
Dickey	Pelosi	Reynolds

□ 1552

Ms. ROYBAL-ALLARD changed her vote from ''yea'' to ''present.''

So the conference report was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. CLINGER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks, and include extraneous material, on the bill just passed.

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

There was no objection.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 555

Mr. MARKEY. Mr. Speaker, I ask unanimous consent that the name of the gentleman from Florida [Mr. FOLEY] be removed as a cosponsor of H.R. 555.

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

There was no objection.

PROVIDING FOR LANGUAGE CLARIFICATION IN CERTAIN STATUTORY REFERENCES RESULTING FROM CHANGES MADE IN THE REORGANIZATION OF THE HOUSE AT THE BEGINNING OF THE 104TH CONGRESS

Mr. THOMAS. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H.R. 1421) to provide that references in the statutes of the United States to any committee or officer of the House of Representatives the name or jurisdiction of which was changed as part of the reorganization of the House of Representatives at the beginning of the 104th Congress shall be treated as referring to the currently applicable committee or officer of the House of Representatives.

The Clerk read the title of the bill.

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

Mr. FAZIO of California. Mr. Speaker, reserving the right to object, will the gentleman from California explain the purpose of the legislation?

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

Mr. FAZIO of California. Further reserving the right to object, Mr. Speaker, I yield to the gentleman from California.

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

What this bill does is attempt to conform the statutes that are on the books with the changes that were made at the beginning of the 104th Congress. As we know, there were three committees that were dissolved, there were significant restructurings in terms of jurisdictions, and all this bill does is to treat references to the old structure in public law as referring to the new structure. References to the old committees are to be treated as referring to the new committees.

This is, in essence, a conforming bill. It does not make policy. Indeed, it simply conforms to policy that has already been passed allowing the new committees to reference themselves in the statutes that are already on the books.

Mr. Speaker, this bill provides that references in public law to any committee or officer of the House whose name or jurisdiction was changed as a part of the reorganization of the House at the beginning of this Congress, shall be treated as referring to the currently applicable committee or officer.

Mr. Speaker, on the first day of the 104th Congress, the new Republican majority lived up to its commitment to the American people by passing major reforms. Among these reforms was the wholesale restructuring of the committee system, which included elimination of three major committees. Committee jurisdictions were consolidated, and the names of several committees were changed.

The primary purpose of this bill is to treat references to the old structure in public law as referring to the new structure. References to the old committees are to be treated as referring to the new committees.

In the course of restructuring the internal operations of the House, we also eliminated the positions of Director of Non-Legislative and Financial Services and the House Doorkeeper. We created the position of Chief Administrative Officer, and we redefined the responsibilities of the Clerk and the Sergeant-at-Arms.

The Committee on House Oversight has been charged in House rules with providing policy direction for and oversight of the House officers, and is continuing to direct the restructuring of the internal operations of the House. References in public law to the function, duty, or authority of a House officer are to be treated as referring to the officer exercising that function, duty, or authority, as determined by the Committee.

Mr. Speaker, enactment of this bill will result in no changes in policy, rather it will reflect policy changes already made.

Mr. FAZIO of California. Mr. Speaker, further reserving the right to object, if there is no further debate, I would certainly concur in the adoption of the bill.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California [Mr. THOMAS]?

There was no objection.

The Clerk read the bill, as follows:

H.R. 1421

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

SECTION 1. REFERENCES IN LAW TO COMMITTEES OF THE HOUSE OF REPRESENTATIVES.

(a) REFERENCES TO COMMITTEES WITH NEW NAMES.—Except as provided in subsection (c), any reference in any provision of law enacted before January 4, 1995, to—

(1) the Committee on Armed Services of the House of Representatives shall be treated as referring to the Committee on National Security of the House of Representatives;

(2) the Committee on Banking, Finance and Urban Affairs of the House of Representatives shall be treated as referring to the Committee on Banking and Financial Services of the House of Representatives;

(3) the Committee on Education and Labor of the House of Representatives shall be treated as referring to the Committee on Economic and Educational Opportunities of the House of Representatives;

(4) the Committee on Energy and Commerce of the House of Representatives shall be treated as referring to the Committee on Commerce of the House of Representatives;

(5) the Committee on Foreign Affairs of the House of Representatives shall be treated as referring to the Committee on International Relations of House of Representatives;

(6) the Committee on Government Operations of the House of Representatives shall be treated as referring to the Committee on Government Reform and Oversight of the House of Representatives;

(7) the Committee on House Administration of the House of Representatives shall be treated as referring to the Committee on House Oversight of the House of Representatives;

(8) the Committee on Natural Resources of the House of Representatives shall be treated as referring to the Committee on Resources of the House of Representatives;

(9) the Committee on Public Works and Transportation of the House of Representatives shall be treated as referring to the Committee on Transportation and Infrastructure of the House of Representatives; and

(10) the Committee on Science, Space, and Technology of the House of Representatives shall be treated as referring to the Committee on Science of the House of Representatives.

(b) REFERENCES TO ABOLISHED COMMITTEES.—Any reference in any provision of law enacted before January 4, 1995, to—

(1) the Committee on District of Columbia of the House of Representatives shall be treated as referring to the Committee on Government Reform and Oversight of the House of Representatives;

(2) the Committee on Post Office and Civil Service of the House of Representatives shall be treated as referring to the Committee on Government Reform and Oversight of the House of Representatives, except that a reference with respect to the House Commission on Congressional Mailings Standards (the ''Franking Commission'') shall be treated as referring to the Committee on House Oversight of the House of Representatives; and

(3) the Committee on Merchant Marine and Fisheries of the House of Representatives shall be treated as referring to—

(A) the Committee on Agriculture of the House of Representatives, in the case of a provision of law relating to inspection of seafood or seafood products;

(B) the Committee on National Security of the House of Representatives, in the case of a provision of law relating to interoceanic canals, the Merchant Marine Academy and State Maritime Academies, or national security aspects of merchant marine;

(C) the Committee on Resources of the House of Representatives, in the case of a provision of law relating to fisheries, wildlife, international fishing agreements, marine affairs (including coastal zone management) except for measures relating to oil and other pollution of navigable waters, or oceanography;

(D) the Committee on Science of the House of Representatives, in the case of a provision of law relating to marine research; and

(E) the Committee on Transportation and Infrastructure of the House of Representatives, in the case of a provision of law relating to a matter other than a matter described in any of subparagraphs (A) through (D).

(c) REFERENCES TO COMMITTEES WITH JURISDICTION CHANGES.—Any reference in any provision of law enacted before January 4, 1995, to—

(1) the Committee on Energy and Commerce of the House of Representatives shall be treated as referring to—

(A) the Committee on Agriculture of the House of Representatives, in the case of a provision of law relating to inspection of seafood or seafood products;

(B) the Committee on Banking and Financial Services of the House of Representatives, in the case of provision of law relating to bank capital markets activities generally or to depository institution securities activities generally; and

(C) the Committee on Transportation and Infrastructure of the House of Representatives, in the case of a provision of law relating to railroads, railway labor, or railroad retirement and unemployment (except revenue measures related thereto); and

(2) the Committee on Government Operations of the House of Representatives shall be treated as referring to the Committee on the Budget of the House of Representatives in the case of a provision of law relating to the establishment, extension, and enforcement of special controls over the Federal budget.

SEC. 2. REFERENCES IN LAW TO OFFICERS OF THE HOUSE OF REPRESENTATIVES.

Any reference in any provision of law enacted before January 4, 1995, to a function, duty, or authority—

(1) of the Clerk of the House of Representatives shall be treated as referring, with respect to that function, duty, or authority, to the officer of the House of Representatives exercising that function, duty, or authority, as determined by the Committee on House Oversight of the House of Representatives;

(2) of the Doorkeeper of the House of Representatives shall be treated as referring, with respect to that function, duty, or authority, to the officer of the House of Representatives exercising that function, duty, or authority, as determined by the Committee on House Oversight of the House of Representatives;

(3) of the Postmaster of the House of Representatives shall be treated as referring, with respect to that function, duty, or authority, to the officer of the House of Representatives exercising that function, duty, or authority, as determined by the Committee on House Oversight of the House of Representatives; and

(4) of the Director of Non-legislative and Financial Services of the House of Representatives shall be treated as referring, with respect to that function, duty, or authority, to the officer of the House of Representatives exercising that function, duty, or authority, as determined by the Committee on House Oversight of the House of Representatives.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

REMOVAL OF NAMES OF MEMBERS AS COSPONSORS OF H.R. 42

Mr. WAXMAN. Mr. Speaker, I ask unanimous consent to delete the names of the gentleman from Minnesota [Mr. OBERSTAR], the gentleman from California [Mr. BONO], and the gentlewoman from Florida [Ms. ROS-LEHTINEN] as cosponsors of the bill, H.R. 42, the Ryan White Reauthorization Act of 1995.

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

There was no objection.

CFTC REAUTHORIZATION ACT OF 1995

Mr. ROBERTS. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate bill (S. 178) to amend the Commodity Exchange Act to extend the authorization for the Commodity Futures Trading Commission, and for other purposes, and ask for its immediate consideration.

The Clerk read the title of the Senate bill.

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

Mr. DE LA GARZA. Mr. Speaker, reserving the right to object, I do so to yield to our distinguished committee chairman for an explanation of the legislation, and I yield to the gentleman.

Mr. ROBERTS. Mr. Speaker, I thank the distinguished minority leader of the Committee on Agriculture for yielding.

Mr. Speaker, S. 178, the CFTC Reauthorization Act of 1995, was adopted in the other body on February 10. The bill is a simple one-line reauthorization that provides authority for appropriations through the year 2000.

☐ 1600

The Committee on Agriculture on Tuesday reported companion legislation by a voice vote and the presence of a quorum. Since the bills are identical and have no opposition, they are identical and have no opposition in either body, we are considering S. 178 so that we may expedite the reauthorization of the Commission.

Mr. Speaker, S. 178, the CFTC Reauthorization Act of 1995 was adopted in the other body February 10, 1995. The bill is a simple one-line reauthorization providing authority for appropriations for the Commodity Futures Trading Commission through the year 2000 at such sums as may be necessary. The Committee on Agriculture on Tuesday reported companion legislation by voice vote in the presence of a quorum. Since the bills are substanially identical and had no opposition in either body, we are considering today S. 178 so that we may expedite the reauthorization of the Commission.

Mr. Speaker, this is the first time in the 20-year history of the Commodity Futures Trading Commission there has not been, in conjunction with a CFTC reauthorization, either significant amendments to the Commodity Exchange Act or outright questions about whether or not the CFTC should continue to exist.

The CFTC is a mature regulatory organization that is overseeing the most innovative and efficient markets in the world—our futures markets, where risk management concepts were born and the price discovery process provides U.S. commerce and industry the information necessary to compete in a global economy. The CFTC has reached regulatory parity with every other Federal regulator, and I would point out to my colleagues has done so with minimal resources and a staff of approximately 550 full-time employees.

Mr. Speaker, I urge the House to adopt S. 178 today and move it on to the White House, where, I am certain, the President will sign the bill.

Mr. DE LA GARZA. I thank the gentleman for his comments.

Mr. Speaker, I support the legislation.

Mr. Speaker, I commend the distinguished chairman of the Agriculture Committee, Mr. ROBERTS, as well as the chairman, Mr. EWING, and ranking minority member, Mr. ROSE, of the Risk Management and Specialty Crops Subcommittee for their leadership in providing for the expeditious consideration of S. 178, the Commodity Futures Trading Commission Reauthorization Act of 1995. This Senate bill is identical to H.R. 618 which was reported unanimously from the Committee on Agriculture without amendment. The bill authorizes

appropriations to carry out the Commodity Exchange Act for each fiscal year through 2000 and I strongly support its passage.

In the legislative activity leading up to the enactment of the Futures Trading Practices Act of 1992 (FTPA; Public Law 102–546), Congress considered and ultimately enacted a number of new responsibilities and authorities for the Commodity Futures Trading Commission [CFTC]. Those changes were designed to enhance the effectiveness of our futures regulatory system, while accommodating the evolutionary processes which are transforming world financial markets. Our philosophy has been and should continue to be that fair markets are efficient markets, and that a sound, rational and independent regulatory system contributes to their efficiency.

The CFTC has made extraordinary progress in carrying out the mandates of the 1992 Act. The Commission's pace demonstrates clearly that it shares the same sense of importance that we had in Congress when those important changes to the Commodity Exchange Act were adopted.

As a few examples, since the FTPA was enacted the CFTC has: Approved final rules exempting swap transactions, hybrid securities, and energy contracts meeting specified criteria from the exchange-trading and other requirements of the CEA; Approved final rules prohibiting dual trading on high-volume contract markets that do not have adequate systems for monitoring trading activity; Proposed rules to allow existing futures exchanges to sponsor trading among entities meeting qualifying criteria with relief from some of the regulatory strictures that otherwise would apply; and Approved final rules regarding procedures for exchange emergency actions.

In addition, the Commission has submitted five mandated reports to Congress. Notable among these was The Study of Swaps and Off-Exchange Derivatives—one of the more complete and informative discussions of that issue available.

Meanwhile, our Nation's futures markets have continued to grow and innovate. During fiscal year 1994 alone, the Commission approved trading in 28 new futures and options contracts. Futures and options volume on the exchanges increased by 27 percent to 510 million trades in fiscal year 1994 from the fiscal year 1993 level of 402 million.

While the increased use of U.S. futures exchanges demonstrates the confidence that financial risk managers have in these markets, trading on offshore futures markets—which in many cases trade contracts similar to those on U.S. exchanges—has grown even more rapidly. In its report to Congress, A study of the Global Competitiveness of U.S. Futures Markets, April 1994, the CFTC noted U.S. exchanges' declining share of global futures trading. That trend is largely explained as the initial growth stage in the relatively new, foreign futures markets rather than a reflection of significant cost advantages. It should, however, make us aware in our regulatory policy decisions that we need to balance our efforts to ensure that the markets are sound and fair, with a recognition of the potential for excessive regulatory burdens to disadvantage U.S. futures markets vis-a-vis their foreign competitors.

In their efforts to modernize and to comply with trade monitoring requirements in the Commodity Exchange Act, U.S. exchanges continue to work towards the development and implementation of automated audit trail systems. These systems promise to greatly enhance the ability of exchange and Commission enforcement officials to prevent fraud and punish cheaters.

Finally, Commission Chairman Schapiro, other Commissioners, and Commission staff continue to be actively engaged in interagency policy coordination regarding securities and securities derivatives markets, over-the-counter derivatives, and other matters of importance in market regulation. In this effort, the Commission has rightfully asserted itself as the expert regulatory agency where derivative markets are concerned.

Given the agency's substantial progress in carrying out the will of Congress expressed through the FTPA, I strongly support passage of this bill to extend the Commission's reauthorization through fiscal year 2000.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore (Mr. MCINNIS). Is there objection to the request of the gentleman from Kansas?

There was no objection.

The Clerk read as follows:

S. 178

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 ''CFTC Reauthorization Act of 1995''.

SEC. 2. AUTHORIZATION OF APPROPRIATIONS.

Section 12(d) of the Commodity Exchange Act (7 U.S.C. 16(d)) is amended to read as follows:

''(d) There are authorized to be appropriated such sums as are necessary to carry out this Act for each of fiscal years 1995 through 2000.''.

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

REQUEST FOR CONSIDERATION OF HOUSE CONCURRENT RESOLUTION 831, PROVIDING FOR RETURN OF ENROLLED BILL, H.R. 831, AND FOR ITS REENROLLMENT

The SPEAKER pro tempore. For what purpose does the gentleman from Florida [Mr. DEUTSCH] rise?

Mr. DEUTSCH. Mr. Speaker, for the purpose of a unanimous-consent request.

The SPEAKER pro tempore. The gentleman from Florida [Mr. DEUTSCH] may proceed.

Mr. DEUTSCH. Mr. Speaker, I move that the House do take up House Concurrent Resolution 55, requesting the President to return the enrolled bill (H.R. 831) and providing for its reenrollment without the targeted tax benefit contained therein. Mr. Speaker, this deals with a provision, a tax provision, that was put in the bill providing $63 million to Mr. Murdoch.

The SPEAKER pro tempore (Mr. MCINNIS). In accord with the policy first announced on December 15, 1981, and applied consistently ever since, the Chair will confer recognition for a unanimous-consent request for consideration of an unreported measure only when assured that the majority leader, the minority leader, and the chairman and the ranking minority members of the committees of jurisdiction have no objection.

The policy is recorded on page 527 of the House Rules Manual.

PARLIAMENTARY INQUIRY

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

The SPEAKER pro tempore. The gentleman will state it.

Mr. DEUTSCH. Mr. Speaker, parliamentary inquiry: Are you required to tell this Chamber who in fact has objected to the discretionary decision of the Speaker to take up this particular motion that the Speaker himself had said he would favor taking out but has not been taken out?

The SPEAKER pro tempore. The Chair is not aware of the clearance of the parties that are requested to be consulted.

Mr. DEUTSCH. Again, are you required to say which particular people have not cleared it?

The SPEAKER pro tempore. Again, the Chair is not aware that the necessary parties have been conferred with.

PRIVILEGES OF THE HOUSE—RESOLUTION PRESERVING THE CONSTITUTIONAL ROLE OF THE HOUSE OF REPRESENTATIVES TO ORIGINATE REVENUE MEASURES

Mr. DEUTSCH. Mr. Speaker, I rise to a question of privilege under rule IX of the House rules and I offer a House Resolution No. 131.

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

The Clerk read the resolution, as follows:

H. RES. 131

Whereas rule IX of the Rules of the House of Representatives provides that questions of privilege shall arise whenever the rights of the House collectively are affected:

Whereas, under the precedents, customs, and traditions of the House pursuant to rule IX, a question of privilege has arisen in cases involving the constitutional prerogatives of the House;

Whereas section 7 of Article I of the Constitution requires that revenue measures originate in the House of Representatives; and

Whereas the conference report on the bill H.R. 831 contained a targeted tax benefit which was not contained in the bill as passed the House of Representatives and which was not contained in the amendment of the Senate: Now, therefore, be it

Resolved, That the Comptroller General of the United States shall prepare and transmit, within 7 days after the date of the adoption of this resolution, a report to the House of Representatives containing the opinion of the Comptroller General on whether the addition of a targeted tax benefit by the conferees to the conference report on the bill H.R. 831 (A bill to amend the Internal Revenue Code of 1986 to permanently extend the

deduction for the health insurance costs of self-employed individuals, to repeal the provision permitting nonrecognition of gain on sales and exchanges effectuating policies of the Federal Communications Commission, and for other purposes) violates the requirement of the United States Constitution that all revenue measures originate in the House of Representatives.

The SPEAKER pro tempore. Does the gentleman from Florida [Mr. DEUTSCH] wish to be heard on whether the question is one of privilege?

Mr. DEUTSCH. Yes, I do, Mr. Speaker.

The SPEAKER pro tempore. The gentleman may proceed.

Mr. DEUTSCH. I thank the Chair.

Mr. Speaker, article I, section 7 of the Constitution specifically states that revenue measures must originate in this Chamber, in the House of Representatives. It is an infringement of the House prerogatives when that is not done, and in fact this House has consistently ruled that as a question of privilege when that occurs. It consistently occurs when the other body does a revenue provision.

What occurred in this case, as most Members at this point are well aware, is that this revenue measure which did originate in the House, then went to the other body, went to a conference committee.

A provision was put in in the conference committee which clearly did not originate in the House, which provided for a direct benefit of $63 million to Mr. Rupert Murdoch. And then at that point the Constitution of the United States and the prerogatives of this House were violated because that provision did not originate in this Chamber.

The House has consistently held that that type of instance is a violation of our prerogatives.

Furthermore, the Chair has consistently ruled that on issues of this nature the House has the right, and the appropriate action is for the House to decide itself what is a prerogative and what is a violation in terms of the privileges of the House.

Mr. Speaker, if I might, if I may yield to at least one or two other Members.

Mr. WALKER. Mr. Speaker, regular order.

The SPEAKER pro tempore. There will be order in the House. Does any other individual Member wish to be heard on the question of privilege?

The Chair recognizes the gentlewoman from the California (Ms. WATERS).

Ms. WATERS. I thank the chair.

Mr. Speaker, I rise in support of the argument that basically concludes that indeed the tax measure giving the tax benefit to Mr. Rupert Murdoch did not originate in this House. It is no question. One may raise a question about the kind of debate that we attempted to have yesterday where we were denied the opportunity to really explain what had taken place on this. And I think that having heard Mr. DEUTSCH's explanation today, no one in this House can disagree that indeed the measure did originate on the other body's side.

The SPEAKER pro tempore. The gentlewoman shall suspend.

The House will be in order. The gentlewoman deserves the courtesy of being heard. The House will be in order.

The gentlewoman may proceed.

Does the gentleman from Mississippi wish to be heard on the question of privilege?

Mr. TAYLOR of Mississippi. I do, Mr. Speaker.

The SPEAKER pro tempore. The gentleman may proceed.

Mr. TAYLOR of Mississippi. Mr. Speaker, the rules of the House with regard to questions of privilege very clearly state that whenever something that questions the integrity of the proceedings of this body is called into question, then it is the privilege of any Member of this body to try to resolve that issue.

And, of course, the entire reason for the motion was to expedite a ruling on something that could well result in a mammoth tax decrease for one individual, something that many Members of this body think brings the integrity of this body into question.

When we are granting tax relief to someone who apparently has had very lucrative book deals with the heads of state of many countries, who offered a lucrative book deal—though rejected—to the Speaker of the House and then just within 91 days of that offer gets an enormous tax break, I think is prima facie evidence that would bring the integrity of the proceedings of this House into question.

Therefore, I speak on behalf and in defense of the gentleman's motion that this be a privileged resolution.

The SPEAKER pro tempore. Does the gentleman from Kentucky [Mr. WARD] wish to be heard on this question of privilege?

Mr. WARD. I do, Mr. Speaker.

Yes, I wish to speak in favor of the gentleman's privileged motion.

I would ask the Speaker, and I would make the point that this seems to be just business as usual. This seems to be the way that it was not supposed to be done when the changes in the election were held in 1994. The people said they did not want things done as they had been done, and my question speaks to that.

Mr. WALKER. Regular order.

The SPEAKER pro tempore. The Chair is prepared to rule.

Mr. DEUTSCH. Mr. Speaker——

The SPEAKER pro tempore (Mr. MCINNIS). The Chair is prepared to rule.

The Chair rules that the resolution does not constitute a question of privilege under rule IX.

The resolution offered by the gentleman from Florida collaterally questions actions taken by a committee of conference on a House-originated revenue bill by challenging the inclusion in the conference report of additional revenue matter not contained in either the House bill nor the Senate amendment committed to conference. The resolution calls for a report by the Comptroller General on the propriety under section 7 of article I of the Constitution of those proceedings and conference actions on a bill that has already moved through the legislative process.

In the opinion of the Chair, such a resolution does not raise a question of the privileges of the House. As recorded in Deschler's Precedents, volume 3, chapter 13, section 14.2, a question of privilege under section 7 of article I of the Constitution may be raised only when the House is ''in possession of the papers.'' In other words, any allegation of infringement on the prerogatives of the House to originate a revenue measure must be made contemporaneous with the consideration of the measure by the House and may not be raised after the fact.

The Chair rules that the resolution does not constitute a question of the privileges of the House.

PARLIAMENTARY INQUIRIES

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

The SPEAKER pro tempore. The gentleman will state his parliamentary inquiry.

Mr. DOGGETT. Mr. Speaker, do I understand the ruling then that the objection about the interference with the prerogatives of the House has to be made contemporaneously with the action complained of? Is that the ruling of the Chair?

The SPEAKER pro tempore. When the House is in possession of the papers, the gentleman is correct.

Mr. DOGGETT. Well, in this case, of course, no one in the House was informed that this special deal had been put in for Mr. Murdoch. So how could that right have been exercised?

The SPEAKER pro tempore. The Chair has ruled.

Does the gentleman from Pennsylvania [Mr. WALKER] wish to be recognized?

Mr. DEUTSCH. Mr. Speaker, I respectfully appeal the ruling of the Chair.

Ms. WATERS. Mr. Speaker, I have a parliamentary inquiry.

The SPEAKER pro tempore. The gentlewoman will state it.

Ms. WATERS. Mr. Speaker, do the rules provide for a 3-day notice on a conference report?

The SPEAKER pro tempore. That question is not relevant here. All points of order were waived before the conference report was considered, and were debatable at that time.

Ms. WATERS. The question is raised, Mr. Speaker, because if there was a waiver, then I wonder how does that impact the ruling of the Speaker?

The SPEAKER pro tempore. The issue brought up by the gentlewoman from California is not relevant at this point.

The Chair recognizes the gentleman from Florida [Mr. DEUTSCH].

Mr. DEUTSCH. Mr. Speaker, I respectfully appeal the ruling of the Chair.

The SPEAKER pro tempore. The gentleman from Florida has appealed the ruling of the Chair. The gentleman is recognized.

Mr. DEUTSCH. Mr. Speaker, I believe I am recognized for an hour.

The SPEAKER pro tempore. The gentleman will suspend.

MOTION TO TABLE OFFERED BY MR. WALKER

Mr. WALKER. Mr. Speaker, I offer a motion.

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

The Clerk read as follows:

Mr. WALKER moves to lay the appeal on the table.

The SPEAKER pro tempore. The question is on the motion to table.

PARLIAMENTARY INQUIRIES

Mr. TAYLOR of Mississippi. Mr. Speaker, I have a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman from the State of Mississippi [Mr. TAYLOR] is recognized.

Mr. TAYLOR of Mississippi. Mr. Speaker, since the rules of the House clearly state that when the question of the integrity of the proceedings of this House have been violated, that is indeed a privileged resolution. Now, I realize that the Chair responded to the written request of my colleague, but I have also asked the Chair to respond to whether or not it is prima facie evidence that a question relating to the integrity of the proceedings of this body are called into question when one individual who earlier this session offered the Speaker of the House an over $4 million book deal which the Speaker turned down, but he still offered it and with—that is a parliamentary inquiry. I have just as much right as the Members.

The SPEAKER pro tempore. Regular order. This is a parliamentary inquiry. The gentleman will suspend. The Chair has ruled previously on all points on this issue as textually raised by the resolution. We now have the motion before the House.

Mr. TAYLOR of Mississippi. Mr. Speaker, a parliamentary inquiry.

The SPEAKER pro tempore. The motion is not debatable.

Mr. TAYLOR of Mississippi. Mr. Speaker, I have a parliamentary inquiry.

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

The SPEAKER pro tempore. The gentleman from Mississippi [Mr. TAYLOR] may state a legitimate parliamentary inquiry.

Mr. TAYLOR of Mississippi. I do not think the Chair responded——

The SPEAKER pro tempore. The gentleman from Mississippi shall suspend. The gentleman from Mississippi may state a legitimate parliamentary inquiry.

The gentleman may proceed.

Mr. TAYLOR of Mississippi. Mr. Speaker, I do not feel like the Chair has responded to my question of whether or not they felt like——

The SPEAKER pro tempore. The House will be in order. The gentleman has a right to be heard.

Mr. TAYLOR of Mississippi. A question of the integrity of the proceedings of this House has been brought into play.

The SPEAKER pro tempore. The gentleman will suspend. The Chair has ruled that the resolution as read does not constitute a question of privilege. The Chair has ruled.

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

The SPEAKER pro tempore. The gentleman will state his parliamentary inquiry.

Mr. MFUME. Mr. Speaker, yesterday evening when there was an appeal of the ruling of the Chair; then there was from the other side of the aisle a request to table. Following that, there were questions raised on this side of the aisle about why is it so difficult to get a vote on an appeal of the ruling of the Chair?

Now, I recognize that the majority has the right to lay it on the table. But if every time there is an appeal of the Chair, a motion is laid on the table and defeated because of the numerical advantage the majority has, it denies not just this side but the entire House an opportunity to vote on the ruling of the Chair. It is a legitimate appeal.

□ 1615

The gentleman has legitimately appealed it and ought to, at least at some point in time, have a vote, so I would say to my distinguished colleague, the gentleman from Pennsylvania, that, while we will vote on the motion to table the appeal, that there may in fact be another motion to appeal the Chair, and another one after that, and, if that is what it is going to take to get one vote on the appeal of the Chair, then this side is prepared to do that. I would rather not do it. They will win in either case, but this side is just asking for a clean vote on the appeal of the Chair.

The SPEAKER pro tempore (Mr. MCINNIS). It is the Chair's ruling that the motion that is currently pending is, in fact, a proper motion under the rules of the House.

Mr. MFUME. I do not dispute that, Mr. Speaker.

The SPEAKER pro tempore. The question before the House is the motion to table.

Are there further parliamentary inquiries?

The question is on the motion offered by the gentleman from Pennsylvania [Mr. WALKER] to lay on the table the appeal of the ruling of the Chair.

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

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

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

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 230, nays 192, not voting 12, as follows:

[Roll No. 300]

YEAS—230

Allard
Archer
Armey
Bachus
Baker (CA)
Baker (LA)
Ballenger
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bereuter
Bilbray
Bilirakis
Bliley
Blute
Boehlert
Boehner
Bonilla
Bono
Brownback
Bryant (TN)
Bunn
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Canady
Castle
Chabot
Chambliss
Chenoweth
Christensen
Chrysler
Clinger
Coble
Coburn
Collins (GA)
Combest
Cooley
Cox
Crane
Crapo
Cremeans
Cubin
Cunningham
Davis
DeLay
Diaz-Balart
Doolittle
Dornan
Dreier
Duncan
Dunn
Ehlers
Ehrlich
Emerson
English
Ensign
Everett
Ewing
Fawell
Fields (TX)
Flanagan
Foley
Forbes
Fowler
Fox
Franks (NJ)
Frelinghuysen
Frisa
Funderburk
Gallegly
Ganske
Gekas
Geren
Gilchrest
Gillmor
Gilman
Goodlatte
Goodling
Goss
Graham
Greenwood
Gunderson
Gutknecht
Hancock
Hansen
Hastert
Hastings (WA)
Hayworth
Hefley
Heineman
Herger
Hilleary
Hobson
Hoekstra
Hoke
Horn
Hostettler
Houghton
Hunter
Hutchinson
Hyde
Inglis
Istook
Johnson (CT)
Johnson, Sam
Johnston
Jones
Kasich
Kelly
Kim
King
Kingston
Klug
Knollenberg
Kolbe
LaHood
Largent
Latham
LaTourette
Lazio
Leach
Lewis (CA)
Lewis (KY)
Lightfoot
Linder
Livingston
LoBiondo
Longley
Lucas
Manzullo
Martini
McCollum
McCrery
McDade
McHugh
McInnis
McIntosh
McKeon
Metcalf
Meyers
Mica
Miller (FL)
Molinari
Montgomery
Moorhead
Morella
Myers
Myrick
Nethercutt
Neumann
Ney
Norwood
Nussle
Oxley
Packard
Parker
Paxon
Petri
Pombo
Porter
Portman
Pryce
Quillen
Quinn
Radanovich
Ramstad
Regula
Riggs
Roberts
Rogers
Rohrabacher
Ros-Lehtinen
Roth
Roukema
Royce
Salmon
Sanford
Saxton
Scarborough
Schaefer
Seastrand
Sensenbrenner
Shadegg
Shaw
Shays
Shuster
Skeen
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Solomon
Souder
Spence
Stearns
Stockman
Stump
Talent
Tate
Taylor (NC)
Thomas
Thornberry
Tiahrt
Torkildsen
Upton
Vucanovich
Waldholtz
Walker
Walsh
Wamp
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Wolf
Young (AK)
Young (FL)
Zeliff
Zimmer

NAYS—192

Abercrombie
Andrews
Baesler
Baldacci
Barcia
Barrett (WI)
Becerra
Beilenson
Bentsen
Berman
Bevill
Bishop
Bonior
Borski
Boucher
Brewster
Browder
Brown (CA)
Brown (FL)
Brown (OH)
Bryant (TX)
Cardin
Clay
Clayton
Clement
Clyburn
Coleman
Collins (IL)
Collins (MI)
Condit
Conyers
Costello
Coyne
Cramer
Danner
de la Garza
Deal
DeFazio
DeLauro
Dellums
Deutsch
Dicks
Dingell
Dixon
Doggett
Dooley
Doyle
Durbin
Edwards
Engel
Eshoo
Evans
Farr
Fattah
Fazio
Fields (LA)
Filner
Flake
Foglietta
Ford
Furse
Gejdenson
Gephardt
Gibbons
Gonzalez
Gordon
Green
Gutierrez
Hall (OH)
Hall (TX)
Hamilton
Harman
Hastings (FL)
Hefner
Hilliard
Hinchey
Holden
Hoyer
Jackson-Lee
Jacobs
Jefferson
Johnson (SD)
Johnson, E. B.
Kanjorski
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kleczka
Klink
LaFalce
Lantos
Laughlin
Levin
Lewis (GA)
Lincoln
Lipinski
Lofgren
Lowey
Luther
Maloney
Manton
Markey
Martinez
Mascara
Matsui
McCarthy
McDermott
McHale
McKinney
McNulty
Meehan
Meek
Menendez
Mfume
Miller (CA)
Mineta
Minge
Mink
Moakley
Mollohan
Moran
Murtha
Nadler
Neal
Oberstar
Obey
Olver
Ortiz
Orton
Owens
Pallone
Pastor
Payne (NJ)
Payne (VA)
Peterson (FL)
Peterson (MN)
Pickett
Pomeroy
Poshard
Rahall
Rangel
Reed
Richardson
Rivers
Roemer
Rose
Roybal-Allard
Rush
Sabo
Sanders
Sawyer
Schroeder
Schumer
Scott
Serrano
Sisisky
Skaggs
Skelton
Slaughter
Spratt
Stark
Stenholm
Stokes
Studds
Stupak
Tanner
Tauzin
Taylor (MS)
Tejeda
Thompson
Thornton
Thurman
Torres
Torricelli
Towns
Traficant
Velazquez
Vento
Visclosky
Volkmer
Ward
Waters
Watt (NC)
Waxman
Williams
Wilson
Wise
Woolsey
Wyden
Wynn
Yates

NOT VOTING—12

Ackerman
Chapman
Dickey
Frank (MA)
Franks (CT)
Frost
Hayes
Kaptur
Pelosi
Reynolds
Schiff
Tucker

□ 1635

Mr. GEJDENSON and Mr. DINGELL changed their vote from ''yea'' to ''nay.''

Mr. BAUCUS changed his vote from ''nay'' to ''yea.''

So the motion to lay on the table the appeal of the ruling of the Chair was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PROVIDING FOR ADJOURNMENT OF THE HOUSE FROM FRIDAY, APRIL 7, 1995, TO MAY 1, 1995, AND FROM WEDNESDAY, MAY 3, 1995, TO TUESDAY MAY, 9, 1995, AND ADJOURNMENT OR RECESS OF SENATE FROM THURSDAY, APRIL 6, 1995, OR THEREAFTER, TO MONDAY, APRIL 24, 1995

Mr. GOSS. Mr. Speaker, I offer a privileged concurrent resolution (H. Con. Res. 58) and ask for its immediate consideration.

The Clerk read the concurrent resolution, as follows:

H. CON. RES. 58

Resolved by the House of Representatives (*the Senate concurring*), That when the House adjourns on the legislative day of Friday, April 7, 1995, it stand adjourned until 12:30 p.m. on Monday, May 1, 1995, or until noon on the second day after Members are notified to reassemble pursuant to section 3 of this concurrent resolution, whichever occurs first; and that when the Senate adjourns or recesses at the close of business on Thursday, April 6, 1995, Friday, April 7, 1995, Saturday, April 8, 1995, Sunday, April 9, 1995, or Monday, April 10, 1995, pursuant to a motion made by the Majority Leader, or his designee, in accordance with this concurrent resolution, it stand recessed or adjourned until noon on Monday, April 24, 1995, or such time on that day as may be specified by the Majority Leader or his designee in the motion to recess or adjourn, or until noon on the second day after members are notified to reassemble pursuant to section 3 of this concurrent resolution, whichever occurs first.

Sec. 2. When the House adjourns on the legislative day of Wednesday, May 3, 1995, it stand adjourned until 12:30 p.m. on Tuesday, May 9, 1995, or until noon on second day after Members are notified to reassemble pursuant to section 3 of this concurrent resolution, whichever occurs first.

Sec. 3. The Speaker of the House and the Majority Leader of the Senate, acting jointly after consultation with the Minority Leader of the House and the Minority Leader of the Senate, shall notify the Members of the House and the Senate, respectively, to reassemble whenever, in their opinion, the public interest shall warrant it.

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

PERMISSION FOR MEMBERS TO EXTEND THEIR REMARKS IN THE RECORD FOR TODAY AND TOMORROW

Mr. GOSS. Mr. Speaker, I ask unanimous consent that for today, April 6, 1995, and tomorrow, April 7, 1995, all Members be permitted to extend their remarks and to include extraneous material in that section of the RECORD entitled extension of remarks.

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

There was no objection.

HOUR OF MEETING ON TOMORROW

Mr. GOSS. Mr. Speaker, I ask unanimous consent that when the House adjourns today, it adjourn to meet at 11 a.m. tomorrow.

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

Mr. WISE. Mr. Speaker, reserving the right to object, and I shall not object, this change was cleared with the Democrat leadership.

Mr. Speaker, I withdraw my reservation of objection.

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

There was no objection.

MEDICARE SELECT EXPANSION

The SPEAKER pro tempore. Pursuant to House Resolution 130 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 483.

□ 1641

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. 483) to amend title XVIII of the Social Security Act to permit Medicare Select policies to be offered in all States, and for other purposes, with Mr. BONILLA 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, and the gentleman from Michigan [Mr. DINGELL] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Virginia [Mr. BLILEY].

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

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

Mr. Chairman, I urge my colleagues to join me in supporting the extension of the Medicare Select Program. The bill before the House was worked out between the members of the Commerce and Ways and Means Committees. The bill provides for a 5-year extension of the program and permits it to be offered in all 50 States. The bill also requires the secretary of the Department of Health and Human Services to conduct a study comparing the health care costs, quality of care, and access to services under Medicare select policies with other Medigap policies. The secretary is required to establish Medicare select on a permanent basis unless the study finds that: First, Medicare select has not resulted in savings to Medicare select enrollees, second, it has led to significant expenditures in the Medicare program, or third, it has significantly diminished access to and quality of care. I think the bill provides for a reasonable balance that will permit a valuable and innovative program for

our senior citizens to be continued while permitting a more informed evaluation of the program. We must remember that Medicare select is a MediGap insurance policy which provides seniors with another option to receive medical care. By giving the elderly more choices within MediGap we give them the option to pick plans which meet their individual needs.

In my view, we must not allow this program to expire. It is unfair to both participants and insurers alike to have to worry about what the Congress will do next. Medicare Select is a small but important program—and, I might add, a highly regulated program. It is regulated under the Federal MediGap standards. There are additional Federal statutory standards for select policies, plus our States insurance departments regulate them under State law. Medicare Select saves senior citizens money, provides more choice for senior citizens than the current Medicare risk contract HMO, and has given them the opportunity to secure a more comprehensive benefits package. If we do not act to extend this program, no new enrollees will be permitted to enroll in Select plans and we will see the ultimate demise of these plans. The end result is bound to be significant increases in premiums for current enrollees. Medicare beneficiaries will be denied a product that saves them money and which has served them well. There is no reason not to extend this program in a responsible fashion.

Mr. Chairman, I urge my colleagues to join me in supporting this bill.

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

Mr. DINGELL. Mr. Chairman, I yield myself 4 minutes.

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

Mr. DINGELL. Mr. Chairman, I will not burden the House with the discussions which took place during the consideration of the rule. Suffice it to say my displeasure with the way the rule has been handled in its substance and the way the rights of the minority have been constrained remain. I observe also that those constraints affect the ability of this House to legislate well, as they affect the rights of the people who look to us to see to it that their concerns are properly protected in the consideration of legislation.

□ 1645

I will speak, rather, Mr. Chairman, of the substitute which will be offered by the gentleman from California [Mr. WAXMAN], and I point out that this substitute is a reasonable alternative. It permits Members to support an extension of the program and an expansion of the program while providing very important consumer protections.

First, the substitute differs from the newly-drafted underlying bill in three particulars.

It expands the Medicare Select Program to all 50 States for a 5-year period, just like the bill reported out of the Committee on Commerce. Five years permits an ample opportunity to execute the program, to evaluate it, and to permit the Congress to come back and to extend the period, if necessary, or to make whatever changes might appear appropriate at the conclusion of 5 years.

Second, it bans attained age rating that lets insurance companies raise rates on elderly people as they age.

I want to comment a little on this. One of the perils of the people who would be seeking insurance under this program is that they will find that their initial purchase of insurance will be done on the basis that the prices are going to be very reasonable. Under the attained age rating practices of insurance companies, it means that there can be a substantial annual increase in cost to the insured. This is a deceptive practice. It is increasingly employed. It has the function of misleading consumers, and it makes it impossible for them to make meaningful comparisons of products of insurance.

It also arranges matters so that misrepresentations can be made by unscrupulous insurance salesmen and that the consequences of the annual rating increases are not known to the purchaser of insurance at the time the insurance is first negotiated for.

Third, the substitute allows people in restricted networks, that is, Medicare Select plans of the type we are dealing with here, to get out of those plans, something which they may very well want to do and something which is consistent with their rights as insured and enables them to get into an unrestricted Medigap plan.

Specifically, it requires select insurers also to offer to individuals who disenroll from a select plan a fee-for-service plan under terms comparable to the terms they would have enjoyed had they initially joined a fee-for-service plan. Thus, choice is maintained for the persons who would enroll in these, fairness in achieving the kind of service they might want, protection of their basic liberties and their economic and other concerns.

It is a fair way of addressing the failures which exist with regard to the legislation before us. These proposals do nothing to disturb the underlying bill. They do provide important consumer protections to the elderly. They create a level playing field for insurers, stabilize the marketplace and assure that insurers who would behave fairly toward their insured are not placed at a disadvantage by the behavior of unscrupulous insurers who would utilize these kinds of devices to the detriment not only of the more responsible insurers but also to the different holders of the policies that we are talking about.

I urge my colleagues to adopt the substitute at the time that it is offered.

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

Mr. BLILEY. Mr. Chairman, I yield such time as he may consume to the gentleman from Florida [Mr. BILIRAKIS], chairman of the Subcommittee on Health and Environment of the Committee on Commerce.

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

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

Mr. Chairman, I rise in support of legislation to extend the current Medicare Select Program which is scheduled to expire in June.

On January 11, 1995, our colleague, the gentlewoman from Connecticut [Mrs. JOHNSON] introduced H.R. 483, a bill to amend title 18 of the Social Security Act to permit Medicare select policies to be offered in all States, and for other purposes. That bill was referred to the Committee on Commerce, the principal committee of jurisdiction and in addition to the Committee on Ways and Means.

On February 15, 1995, the Health and Environment Subcommittee held an oversight hearing on Medicare select and issues related to Medicare managed care. On March 22, 1995, the subcommittee met and marked up H.R. 483 and approved the bill for full committee consideration, as amended, by a voice vote. On Monday, April 3, 1995, the full Commerce Committee met and ordered H.R. 483 reported to the House. as amended, by a voice vote.

As ordered reported by the Commerce Committee, H.R. 483 would extend the Medicare Select Program for an additional 5 years and expand the coverage to include all 50 States and this provides for a more true analyses as a demonstration project.

The Committee on Ways and Means also completed action on H.R. 483, and reported a different version of the legislation to the House. The Ways and Means Committee version of the bill extends the Medicare Select Program to all 50 States on a permanent basis.

Since the time that both committees completed action on H.R. 483, the committees have met and have developed a consensus bill, H.R. 1391, which was introduced in the House on April 4. The rule the House just passed makes in order the text of H.R. 1391.

The bill the House is considering would extend the Medicare Select Program for a 5 year period and expands the coverage to all 50 States.

The bill would also require the Secretary of the Department of Health and Human Services to conduct a study comparing the health care costs, quality of care, and access to services under Medicare select policies with other MediGap policies. This study must be completed by the end of 1998. Based on the results of this study. The Secretary must make a determination that the Medicare Select Program is permanent unless the study finds that: (1) Medicare select has not resulted in savings to Medicare select enrollees. (2) it has

led to significant expenditures in the Medicare Program, or (3) it has significantly diminished access to and quality of care.

Congress needs to enact legislation to extend this program now.

The National Association of Insurance Commissioners [NAIC] has testified in favor of the program and stated that out of the 10 Medicare select States that report into the NAIC's Complaint Data System, there were only 9 Medicare select complaints last year.

The program has been a very good one for senior citizens. In August 1994, Consumer Reports rated the top Medigap insurers nationwide. Eight out of 10 of the top-rated 15 MediGap plans were Medicare select plans. It is a very popular program in my home State of Florida where some 13,000 Medicare beneficiaries are enrolled.

I urge my colleagues to support this legislation so we may continue to provide older Americans with an often needed and in my opinion, necessary option.

Mr. DINGELL. Mr. Chairman, I yield 5 minutes to the distinguished gentleman from California [Mr. STARK], a member of the Committee on Ways and Means.

Mr. STARK. Mr. Chairman, I would like first to congratulate the distinguished gentlewoman from Connecticut, the sponsor of H.R. 483. While I may agree with what is in the bill, it is the absence of a few things with which she and I would differ. But she gets my highest admiration for tenacity. She has done an excellent job in bringing this bill to the floor promptly.

I do believe that there is a need for strong beneficiary protections. These may be prophylactic. They may be only a safety net, but we have had anecdotal evidence of abuses. And this program is new, and the administration had hoped that we would only extend it for 18 months. Many of us feel that Federal standards, which would be enforced or reinforced by States, would be in order.

The few States that choose not, like my own State of California, to regulate this through the insurance code, might be required to.

Had we had the opportunity, and we will have a partial opportunity in the substitute to be offered by the distinguished gentleman from California later in the proceedings, I would have suggested that we perhaps extend this for 5 years; also, that we have Federal oversight of Medicare select.

The amendment that I would offer perhaps would require Medicare select plans to have similar requirements as we now require for Medicare approved HMO's, called risk contractors. Those would include community rating.

For example, in California, to compare identical plans with Prudential, AARP's plan, and Blue Cross, the only offeror of Medicare select, there is, indeed, a savings for the first 4 years. From 1965 to 1969, Medicare select only costs $780. AARP's Prudential plan is $957, but it is $957 until you expire or stop paying your premiums.

The Medicare select plan jumps to $1,080 at age 70, $1,260 at 75 and, over 80, it is $1,380, almost a 40 percent increase. This, I believe, is improper and impacts most on seniors when they can lest afford to pay those premiums.

I think we should consider the idea of forbidding premiums that are age-related.

We should have State certification of these plans and an amendment to define the benefit package, not so as to limit it, but so as to put it into context with the plans that are now offered under MediGap so that seniors will have the opportunity to use free market choice and pick a plan that is, in fact, one that they can compare on a price basis.

Many of these amendments will be in the substitute offered by the gentleman from California [Mr. WAXMAN]. I would urge that that be supported.

I think that we will revisit this. One of the reasons I do not want to belabor this, and I will in a moment yield back my time, is that my guess is that some of these provisions may be added later in the legislative process. I hope then we can consider them at some more deliberate pace and consider which of these amendments will make Medicare select a better product, more consumer friendly than what might appear without the regulations that are missing from the current bill.

I thank the distinguished gentleman for yielding time to me.

Mr. DINGELL. Mr. Chairman, I yield 3 minutes to the gentleman from North Dakota [Mr. POMEROY].

□ 1700

Mr. POMEROY. Mr. Chairman, I thank the distinguished ranking member for yielding time to me.

Mr. Chairman, Medicare select is an issue I have followed for several years. I am the only former insurance regulator in the 104th Congress.

At the time the Medicare Select Program came into being, I was regulating the insurance market in North Dakota, the State I now represent in this body. I favored very strongly the Medicare select component. I thought perhaps the 15-State limitation at that time was unduly restrictive, in light of fairly prevalent practices throughout the Medicare supplement market at that time to allow the type of discounting and favorable premium impact it had for the senior citizen consumers under the operation explicitly allowed for the 15 States under the program.

I believe with the Medicare select, those who would believe we are engaged in an experiment here have it exactly wrong. The Medicare select restrictions actually constricted discounting activity that was allowing seniors lower insurance prices throughout the 50 States.

I fought as an insurance regulator to make sure North Dakota got to be one of the 15 States allowed, and was pleased that the Department of Health and Human Services allowed North Dakota to be one of the States. The experience has been significant. It has allowed a 17-percent premium deduction for senior citizens.

I called in the course of the Medicare select legislation to see whether or not problems, some kind of consumer complaints had arisen because of the restricted delivery system that might bring about this kind of discount. I was told by the North Dakota insurance department they did not have one, not a single complaint on their Medicare select book of business allowed in the State of North Dakota, now amounting to about 10,000 policyholders.

Having regulated this market for 8 years, I would say it is rather incredible that any product, no matter how perfect, does not generate one consumer complaint to the insurance department.

I think when it comes to senior citizens, this body owes them the same range of choices allowed throughout the rest of the insurance marketplace. We have discounting arrangements being made with providers to pass a better value on to the policy holder. Why, when it comes to senior citizens, should we somehow become so protectionist as to try and keep them from being able to access that same kind of discounted premium?

Are there questions in the senior MediGap market? Of course there are. Attained age rating is a concern that I believe needs to be addressed. It needs to be addressed, in my opinion, first by the regulatory entities responsible for regulating insurance, State insurance departments.

I believe if the State insurance departments adn their collective organization, the National Association of Insurance Commissioners, a body I formerly served in as president, do not in the very near term address that forcefully, action should be considered in this body to preclude attained age rating. I feel that strongly about it.

However, the vehicle before us certainly is not the one to try in this body to revamp the regulatory structure in this way. This is a simple bill. It serves a positive purpose. Give seniors a choice, give seniors a break, and pass this legislation.

Mr. BLILEY. Mr. Chairman, to close debate on our side, I yield 5 minutes to the gentlewoman from Connecticut [Mrs. JOHNSON], who knows more about this subject, certainly, than anybody on this side of the aisle. It has been a pleasure to work with her.

Mrs. JOHNSON of Connecticut. Mr. Chairman, I rise in strong support of this bill, and urge my colleagues to support it with enthusiasm. A number of issues have been raised from the other side, but they are issues that were thoroughly addressed in the hearings that we have had on this bill.

First of all, this is not a failed program. This is a very strong program that seniors are choosing, and they are

choosing it because it offers them lower cost health care that is also high-quality health care. Their premiums are anywhere from 10 to almost 40 percent less than the premiums of other Medigap policies. That is why they choose it. That is why seniors all over America should have the right to choose it.

Are these good policies? According to the Consumer Reports, 8 of the 15 top-ranked policies were Medicare select policies. That is pretty good.

Second, there have been essentially no complaints. Members heard my colleague, who was an insurance commissioner himself, say in his State there was not a single complaint. Nationwide in 1994 there were only 9 complaints in regard to select plans, when there were 967 complaints for regular Medigap policies, another reason why seniors choose these policies in the Medigap market. They are good.

Third, when we look at the consumer satisfaction surveys, Medicare select rates very high, another good sign.

Lastly, no program that was not well regarded would be supported by the National Governors Association, the National Council of State Legislatures, and the insurance commissioners of 50 States, so this is a good program, it is a successful program and, futhermore, it is a well-regulated program. It is regulated by the States; it is regulated by the Federal Government; it is regulated in exactly the same way that plans are regulated for people of other ages.

There is no problem with seniors who choose this option getting locked in. Later we will hear an amendment that says that these plans ought to be required to offer a fee-for-service option.

In every single State, in every single State, there are at least seven policies offered by Blue Cross or Blue Shield or AARP that guarantee issue at predetermined rates for seniors, so anyone in a Medicare select policy has a choice of choosing another Medigap policy at the same rate anyone else would be able to buy that policy, and without any danger of exclusion for preexisting medical conditions. Therefore, there is no need to pass a law that would force this kind of policy to do something that none of its competitors have to do.

This is a good bill. It is strictly structured. This program has succeeded. I ask Members' support of it, and I ask the Members' opposition to the following substitute, because it would force this plan, in certain States, to offer benefits that no other Medigap policy has to offer. That would effectively kill this low-cost choice for seniors. If it was forced to age rate its premiums, base its premiums on attained age rating, premiums for young seniors would go up.

In the market now, seniors of every age can choose whether they want to buy an attained-age-rating Medigap policy or a community-rated Medigap policy or an issued age-rated Medigap policy. They are all there. Seniors can choose that. Why should we not allow a 67-year-old healthy senior to choose a lower cost policy, if that is what he prefers, and face the higher rates of a 70-year-old when he hits 70, if that is what he wants? He has the right under current circumstances to choose a community-rated or an attained-age-related policy when he is 67, if he wants to do that.

I ask Members to support the bill, to oppose the alternative, and to guarantee that seniors in our Nation will have the choice of a lower cost, high-quality Medigap policy.

NATIONAL GOVERNORS' ASSOCIATION,
NATIONAL CONFERENCE OF STATE LEGISLATURES, NATIONAL ASSOCIATION OF INSURANCE COMMISSIONERS,

March 15, 1995.

Hon. BILL THOMAS,
Chairman, Subcommittee on Health of the Committee on Ways and Means,
Washington, DC.

DEAR CHAIRMAN THOMAS: In an effort to promote consumer choice and the offering of affordable health care coverage for senior citizens, the National Governors' Association (NGA), the National Conference of State Legislatures (NCSL), and the National Association of Insurance Commissioners (NAIC) call to your attention an urgent problem facing over 400,000 Medicare beneficiaries: the imminent expiration of the medicare SELECT program. This program has provided significant savings to Medicare beneficiaries in demonstration project states. We urge its permanent extension and expansion to all fifty states.

As you are aware, the Medicare SELECT program is a three year demonstration project (extended another six months by the 103rd Congress) that authorizes managed care networks to offer Medicare Supplement policies in the fifteen demonstration states. Medicare SELECT offers significant savings to seniors, many of whom live on fixed incomes. It also offers seniors a choice among health plans.

In the absence of Congressional action on this issue, more than 400,000 Medicare beneficiaries will be faced with higher premiums and less choice. If the Medicare SELECT program is not continued, Medicare SELECT carriers could not enroll new members after June 30, 1995. This will result in significant increases in premiums for Medicare beneficiaries already enrolled in the program. Further, those beneficiaries not enrolled in the program will no longer have the opportunity to choose this low-cost and choice-enhancing option.

Nearly every federal health reform proposal before the 103rd Congress included a permanent extension of this program to all fifty states. The momentum and broad-based political support behind this program should not be allowed to dissipate simply due to the absence of more comprehensive Congressional action in the health care reform area. The health care coverage of too many Americans is at stake.

As we testified before two House subcommittees on this issue, we urge you to support the provisions of H.R. 483 that extend and expand the Medicare SELECT program to all fifty states.

The NGA, NCSL and NAIC would be happy to answer any questions and provide you with any additional technical background upon request. Please contact Mary Beth Senkewicz at the NAIC Washington office at 624–7790. Thank you for consideration of this recommendation.

Sincerely,

RAYMOND C. SCHEPPACH,
Executive Director, NGA.
CARL TUBBESING,
Director, Washington Office, NCSL.
KEVIN T. CRONIN,
Washington Counsel, NAIC.

MEDICARE SELECT: THE FACTS

Medicare Select is Point of Service coverage—Beneficiaries can go out of the Select network at any time and Medicare still pays for covered care.

Medicare Select Saves Seniors $'s—Premium savings range from 10 to 38% over regular Medigap policies.

Medicare Select provides Quality and Value—Consumer Reports ranked 8 Select plans among the top 15 plans.

MORE MED SELECT FACTS

Medicare Select Works for Seniors—In 1994 the National Association of Insurance Commissioners reported only 9 complaints on Select plans vs. 967 for regular Medigap.

Medicare Select Offers Choice—Gives seniors an option similar to that enjoyed by millions of working Americans.

EVEN MORE MED SELECT FACTS

Medicare Select Satisfies Seniors—Select plans are highly rated in consumer satisfaction surveys.

Medicare Select has bipartisan Support—Ways and Means bill passed 31 to 2, Commerce bill passed by voice vote.

Medicare Select Wanted by States—NGA, NAIC, and NCSL support the 50 state option.

The CHAIRMAN. All time for general debate has expired.

Pursuant to the rule, the amendment in the nature of a substitute consisting of the text of H.R. 1391 is considered as an original bill for the purpose of amendment and is considered as having been read.

The text of the amendment in the nature of a substitute is as follows:

H.R. 1391

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

SECTION 1. PERMITTING MEDICARE SELECT POLICIES TO BE OFFERED IN ALL STATES FOR AN EXTENDED PERIOD.

Section 4358(c) of the Omnibus Budget Reconciliation Act of 1990, as amended by section 172(a) of the Social Security Act Amendments of 1994, is amended to read as follows:

''(c) EFFECTIVE DATE.—(1) The amendments made by this section shall only apply—

''(A) in 15 States (as determined by the Secretary of Health and Human Services) and such other States as elect such amendments to apply to them, and

''(B) subject to paragraph (2), during the 8½ year period beginning with 1992.

''(2)(A) The Secretary of Health and Human Services shall conduct a study that compares the health care costs, quality of care, and access to services under medicare select policies with that under other mediare supplemental policies. The study shall be based on surveys of appropriate age-adjusted sample populations. The study shall be completed by December 31, 1998.

''(B) The Secretary shall determine during 1999 whether the amendments made by this section shall remain in effect beyond the 8½ year period described in paragraph (1)(B). Such amendments shall remain in effect beyond such period unless the Secretary determines (based on the results of the study under subparagraph (A)) that—

''(i) such amendments have not resulted in savings of premiums costs to these enrolled

in medicare select policies (in comparison to their enrollment in medicare supplemental policies that are not medicare select policies and that provide comparable coverage),

''(ii) there have been significant additional expenditures under the medicare program as a result of such amendments, or

''(iii) access to and quality of care has been significantly diminished as a result of such amendments.''.

The CHAIRMAN. No amendment to the amendment in the nature of a substitute is in order except a further amendment in the nature of a substitute, which may be offered only by the gentleman from Michigan [Mr. DINGELL], or his designee, is considered as read, is debatable for 1 hour, equally divided and controlled by a proponent and opponent of the amendment, and is not subject to amendment.

Pursuant to the rule, the gentleman from California [Mr. WAXMAN] will be recognized for 30 minutes.

AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. WAXMAN.

Mr. WAXMAN. Mr. Chairman, I offer an amendment in the nature of a substitute.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment in the nature of a substitute is as follows:

Amendment in the nature of a substitute offered by Mr. WAXMAN:

Strike all after the enacting clause and insert the following:

SECTION 1. EXTENDING MEDICARE SELECT POLICIES TO ALL STATES FOR AN ADDITIONAL 5-YEAR PERIOD.

Section 4358(c) of the Omnibus Budget Reconciliation Act of 1990, as amended by section 172(a) of the Social Security Act Amendments of 1994, is amended—

(1) by striking ''The amendments'' and inserting ''(1) Subject to paragraph (2), the amendments'';

(2) by inserting ''and, subject to paragraph (3), those other States that elect them to apply'' after ''15 States (as determined by the Secretary of Health and Human Services)'';

(3) by striking ''3½-year'' and inserting ''8½-year''; and

(4) by adding at the end the following new paragraphs:

''(2) The amendments made by this section shall apply to a State after the first 3½ years of the 8½-year period described in paragraph (1) only if the State provides that the premiums for a medicare select policy do not vary at renewal (or at any other time premiums change) on the basis of the age attained by the policy-holder or certificateholder.

''(3)(A) The amendments made by this section shall apply to a State other than the 15 States referred to in paragraph (1) only if the State provides that the issuer of a medicare select policy makes available to a policyholder or certificateholder, at each of the times described in subparagraph (B), a policy described in subparagraph (C) (whether or not otherwise offered by the issuer to individuals in the State and whether issued directly by that issuer or under an arrangement with another issuer) under terms and conditions described in subparagraph (C).

''(B) The times described in this subparagraph are—

''(i) the time the policyholder or certificateholder moves out of the service area of the issuer of the medicare select policy,

''(ii) the time of renewal of such policy, and

''(iii) at the end of the 12-month-period beginning on the date such policy first becomes effective if the policy is canceled or nonrenewed by the policyholder or certificateholder at the end of such period.

''(C) A policy described in this subparagraph is a policy that meets the 1991 Model NAIC Regulation or 1991 Federal Regulation and other requirements of section 1882 of the Social Security Act (without regard to subsection (t)) and the terms and conditions (including premium levels) described in this subparagraph are terms and conditions comparable to the terms and conditions that the policyholder or certificateholder would have had if the policyholder or certificateholder had been enrolled in a policy not under section 1882(t) of such Act during the period in which the policyholder or certificateholder was enrolled in a policy under such section 1882(t).

''(D) The Secretary of Health and Human Services is authorized to issue such regulations as may be necessary to carry out this paragraph.''.

Mr. WAXMAN. Mr. Chairman, I offer this amendment in order to improve this legislation before us. The argument on the floor before us today is not whether we ought to have Medicare select policies or not. A number of States are already marketing these policies. It has been used on an experimental basis in those States. All of us agree that we ought to expand that to other States as well.

However, our amendment would make three changes in the underlying bill. First of all, while we extend Medicare select programs to all 50 States, we would do it for a 5-year period so we can take a look, again, at that period of time to see whether this program is working the way we envision it.

Second, we would in this amendment say that the Medicare select policies would not permit attained age rating that lets insurers raise rates on elderly people as they age. This is a deceptive practice that is increasingly employed to mislead consumers and make meaningful comparison between various insurance options possible.

Third, the substitute allows people in restricted networks, like Medicare select plans, where they only have a panel to choose from of their health care providers, allows them to leave the Medicare select and go to a choice of provider that they may wish to have Medicare and this gap policy pay.

These provisions do nothing to disturb the underlying bill. However, they are important consumer protections for the elderly, they create a level playing field for insurers, and they stabilize the market.

Mr. Chairman, let me elaborate on these points. The gentlewoman from Connecticut [Mrs. JOHNSON], who is the original author of the bill before us, has argued that people have choices now, and we should not have any guarantee in the bill that they will have choices in the future.

My concern is we do not know what the future will bring, except we have some idea of what is going on now in the competitive marketplace dealing with health insurance. As there is competition, there is competition for insurance companies to try to offer the lowest-priced plan to induce people to sign up.

However, if they do not have a community rating, if they do not keep that low price for everybody except for the newcomers in their plan, as people get older, what we call attain an older age, and are therefore more likely to get sick, insurance companies can turn around and say ''You signed up a number of years ago at a certain level, but now we are going to double or triple your premiums.''

That, Members could imagine, would be a terrible thing for an elderly person who has a Medigap policy for which they now think they have security, to suddenly find that there rates have gone up so dramatically.

Sometimes, however, people do not like these preferred provider organizations where they have only a certain list of physicians and health care providers to choose from. They may think it is okay when they are younger, let us say 65, but if they have some experiences later on with a specific illness where they need the expertise of someone who is not on that panel, they may want to choose to leave.

I believe a fundamental value in health insurance for this country ought to be that we give people the right to choose what insurance they will have. We have offered in this substitute a guarantee that when people sign up in these Medicare select policies, that they will have a right to choose to join another Medigap plan. When people turn 65, they can sign up in any MediGap plan available.

What they do not realize is if they sign on to Medicare select, unless we have this substitute adopted, in the future they may not be able to leave and go to another what is called fee-for-service or choice-of-provider plan. They will be faced with either being in the Medicare select or having to go outside of that list and then pay out of their own pockets, not only for their insurance, but they would have to pay for the costs of the doctor who is not on that panel.

Let us keep in mind, we are dealing with Medicare select. It is only a very small issue in the scheme of the Medicare issues that we have already faced and are going to face in this Congress, but what we do in this instance may well become a benchmark for what we are going to do in the future.

There is a lot of talk that the Republicans would like to take the Medicare program and, rather than let people have choices of doctors and other health care providers, to put them in managed care.

□ 1715

Managed care is a reasonable option but it ought to be an option at the choice of the beneficiary, not something which they are forced into whether they like it or not. In fact, if

we really believe in managed choice being a good option, it is only a good option when people have the ability in a free market to walk away and leave and join another alternative plan. But if they only have one choice, you can be sure that when they are captive in that one choice, that they are not going to be as important a customer, since they are a captive customer of the Medicare select plans.

Members will hear in this debate about how well these Medicare select plans are doing. I do not deny they are doing well. The consumers generally seem happy in most States. Our fear is what the marketplace will look like not right now but in a couple of years.

Let us put in this substitute which gives us a 5-year period in which to watch, to see how it is working; second, protect people from this sort of bait-and-switch of signing up and then finding your rates are going to double and triple because there is no protection against insurance companies raising your rates as you get older; and third, a guarantee that when you sign up in a Medicare select system, that that Medicare select system will give you an option which almost all of them do now, to choose another system, a fee-for-service system that will give you unlimited choice.

This is an important consumer protection amendment. It is consistent with the idea of having Medicare select policies. I do not think anybody is arguing against the idea of Medicare select although some people may. But most Members would argue let us allow this Medicare select way of handling MediGap insurance, a supplemental insurance to Medicare, in the most consumer-oriented manner.

I urge support for the substitute amendment.

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

Mr. BLILEY. Mr. Chairman, I yield 5 minutes to the gentleman from California [Mr. THOMAS], the chairman of the Subcommittee on Health of the Committee on Ways and Means.

Mr. THOMAS. I thank the gentleman for yielding me the time.

Mr. Chairman, if Members will examine the proponents of the substitute's argument, what they are saying is that we really do want Medicare select, we just want to improve it, we want to help. That would be akin to having you cross the street against the light. Urge you to go down a tunnel with a light ahead and say it is daylight. Turn on the gas with the pilot light out.

They do not want to improve the Medicare program. Their position is clear. They stalled in the last Congress, hoping it would die. It took a Herculean effort at the 11th hour to get the pilot program renewed. And here they are once again, a wolf in sheep's clothing saying all we want to do is try to improve the program.

The substitute says it is going to extend for only 5 years. The underlying bill says if after 5 years on a finding of the Secretary of HHS it saves money, we make it permanent. If it is good and it works, we make it permanent. What does the substitute do?

Notwithstanding saving money after 5 years, the program is dead. That is improving? That is helping? That is a wolf in sheep's clothing.

All they say they want is a level playing field. In fact, what they are trying to do is set up hurdles specific to Medicare select. If what they advocated for Medicare select is good, why is it not applied across-the-board to all MediGap programs? If in fact what they are urging for Medicare select is something that creates 15 States having one program and 35 States having another, so that you are guaranteed not to have a uniform program over 50 States, that is helping? That is creating an impossible standard to meet.

Let's talk about really taking care of seniors.

The gentleman from North Dakota is the only person in the Congress who has done this kind of work. I have great admiration for his courage to stand up and say, after 8 years, not one complaint. He is someone who has been in the trenches. He was a member of the National Association of Insurance Commissioners, and I received a letter from those commissioners, from the National Council of State Legislatures, and from the National Governors Association. This is what they said to me:

> Dear Chairman Thomas, in an effort to promote consumer choice in the offering of affordable health care coverage for senior citizens, the National Governors Association, the National Conference of State Legislatures, the National Association of Insurance Commissioners call to your attention an urgent problem facing over 400,000 Medicare beneficiaries: the imminent expiration of the Medicare select program. This program has provided significant savings to Medicare beneficiaries in demonstration project States. We urge its permanent extension and expansion to all 50 States.

They have seen these programs every day. They do not have the nine pages of improvements. They do not have the 45 points of consumer protection. They agree with our colleague from North Dakota, the program is good the way it is. It should be permanent. The underlying bill says if we save money, it is going to be permanent. Under the guise of protecting seniors, they want to guarantee that this program will not succeed.

Why in the world would they do that? The answer is very simple. The gentleman from California exposed his hole card. He told you what we were going to do with Medicare.

I will tell you what their great fear is, that we will be able to convert an old-fashioned, bloated, government-run, fee-for-service program into an efficient, cost-effective program that gives seniors more than they are getting now. This is the good step in the right direction. His old program will be changed. He does not want the new program. Their substitute will kill Medicare select. Vote against it. Vote for the underlying bill.

> NATIONAL GOVERNORS' ASSOCIATION,
> NATIONAL CONFERENCE OF STATE LEGISLATURES, NATIONAL ASSOCIATION OF INSURANCE COMMISSIONERS,
>
> *March 15, 1995.*
>
> Hon. BILL THOMAS,
> *Chairman, Subcommittee on Health of the Committee on Ways and Means, Longworth House Office Building, Washington, DC.*
>
> DEAR CHAIRMAN THOMAS: In an effort to promote consumer choice and the offering of affordable health care coverage for senior citizens, the National Governors' Association (NGA), the National Conference of State Legislatures (NCSL), and the National Association of Insurance Commissioners (NAIC) call to your attention an urgent problem facing over 400,000 Medicare beneficiaries: the imminent expiration of the Medicare SELECT program. This program has provided significant savings to Medicare beneficiaries in demonstration project states. We urge its permanent extension and expansion to all fifty states.
>
> As you are aware, the Medicare SELECT program is a three year demonstration project (extended another six months by the 103rd Congress) that authorizes managed care networks to offer Medicare Supplement policies in the fifteen demonstration states. Medicare SELECT offers significant savings to seniors, many of whom live on fixed incomes. It also offers seniors a choice among health plans.
>
> In the absence of Congressional action on this issue, more than 400,000 Medicare beneficiaries will be faced with higher premiums and less choice. If the Medicare SELECT program is not continued, Medicare SELECT carriers could not enroll new members after June 30, 1995. This will result in significant increases in premiums for Medicare beneficiaries already enrolled in the program. Further, those beneficiaries not enrolled in the program will no longer have the opportunity to choose this low-cost and choice-enhancing option.
>
> Nearly every federal health reform proposal before the 103rd Congress included a permanent extension of this program to all fifty states. The momentum and broad-based political support behind this program should not be allowed to dissipate simply due to the absence of more comprehensive Congressional action in the health care reform area. The health care coverage of too many Americans is at stake.
>
> As we testified before two House subcommittees on this issue, we urge you to support the provisions of H.R. 483 that extend and expand the Medicare SELECT program to all fifty states.
>
> The NGA, NCSL and NAIC would be happy to answer any questions and provide you with any additional technical background upon request. Please contact Mary Beth Senkewicz at the NAIC Washington office. Thank you for consideration of this recommendation.
>
> Sincerely,
>
> RAYMOND C. SCHEPPACH,
> *Executive Director, NGA.*
> CARL TUBBESING,
> *Director, Washington Office, NCSL.*
> KEVIN T. CRONIN,
> *Washington Counsel, NAIC.*

Mr. WAXMAN. Mr. Chairman, I yield 3 minutes to the gentleman from Oregon [Mr. WYDEN].

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

Mr. WYDEN. Mr. Chairman, I found the comments of the gentleman from California very interesting because many of us who support the Waxman amendment are strong supporters of 21st century Medicare that uses managed care to a much greater extent. In fact, in my community, we have one of the highest concentrations in the country of managed care participation. We have seen the future, and we know it can work.

But the fact is that as part of that future, we should incorporate two principles that the Waxman amendment addresses.

First and foremost, the Waxman amendment will protect the hundreds of thousands of older people in this country from rate shock. I have listened to my colleagues talk, for example, about how consumers are satisfied with Medicare slack. Of course they are, because many of them have had this product for maybe 18 months or so, under attained age pricing, and they have not seen the big rate hikes that are going to hit them down the road.

Under the Waxman proposal, there is a floor of protection for older people from those rate hikes. I would urge my colleagues in the strongest way, the seniors of America do not know what is coming in the days ahead in terms of these rate hikes. The Waxman amendment offers some real protection.

Second, with respect to choice, and again in our area, managed care works because there is real choice, the Waxman amendment offers more choices. Frankly, a lot of us think that is especially important now. We have got the chairman of the Senate Finance Committee saying that there are going to be 400 billion dollars' worth of cuts in Medicare and Medicaid. That will inevitably take choice from the senior citizens. The Waxman amendment again gives to older people more choices, more protection to deal with what we think is going to come in the days ahead from the other side.

Finally, I would say that I have worked very closely with the gentlewoman from Connecticut often. She is a sincere and dedicated leader in the health policy field. I wish to make Medicare select work. I support managed care. My community has been a leader nationwide in this area. We can make managed care work better if we adopt the Waxman amendment so seniors across this country do not get clobbered with rate hikes that they do not expect and that we give them more real choice.

Mr. BLILEY. Mr. Chairman, I yield 2 minutes to the gentleman from North Dakota [Mr. POMEROY].

Mr. WAXMAN. Mr. Chairman, I yield 1½ minutes to the gentleman from North Dakota [Mr. POMEROY].

The CHAIRMAN. The gentleman from North Dakota [Mr. POMEROY] is recognized for 3½ minutes.

Mr. POMEROY. Mr. Chairman, this debate brings up two points of frustration that I have got with Congress:

The first is partisanship. There are technical policy questions that come before this House and they do not need to be debated in a bashing, partisan manner with which we bring to the debates. There clearly are those issues that will divide us along partisan and ideological lines. This is a technical little public policy question we face and we do not need to turn it into a partisan free-for-all. We have had enough of those already.

Second frustration. Sometimes on the floor of this House we try and imagine everything that can go wrong and figure out how to fix it regardless of whether in real life it has been a problem at all. Inevitably that produces the law of unintended consequences and we can foul things up pretty well.

I believe the substitute, while wholly well-intentioned, represents that sort of approach. Having regulated this market, having tracked it since I left regulation, I do not believe we see the practices that would be fairly addressed by this regulation. Even if there were those circumstances out there, the worst place to fashion the right regulatory response would be on the floor of the House with amendments and substitutes. There are experts that do this every day. They are called insurance regulators. They ought to have first crack at this.

Second, in the event that they are remiss, we ought to have a good solid hearing in the committees on this issue. Believe me, when I was commissioner, I can remember some very rigorous days in congressional committees as we discussed these matters. Not on the floor of the House, not in the context of substitute motions.

I urge a defeat of the gentleman's motion, although I have the greatest respect for what he is trying to accomplish, and the passage of the bill.

Mr. WAXMAN. Mr. Chairman, will the gentleman yield?

Mr. POMEROY. I yield to the gentleman from California.

Mr. WAXMAN. I thank the gentleman for yielding.

Mr. Chairman, I want to commend the gentleman for his leadership in this area, and particularly for saying to the audience that may be watching this debate, we are arguing in good faith over some policy differences. I do find it startling to think that people would come in and question others' motives.

Questioning people's motives just seems to me so out of place in a debate where we are trying to make the best decisions we can.

We look at the insurance market today, the non-Medicare insurance market, and it is not just in anticipation of problems that may happen but most likely will not, we look at the insurance market today and it just makes more sense for an insurance company to try to offer the lowest possible price to those people that are the healthiest, and they do not really want to insure people who are going to be the sickest, because the sickest are going to cost them more money. Rather than spread the cost out across the broad population, we see a segmentation of the market and lowest prices for the healthiest.

I fear that we see that reality now in regular insurance practices, that in the MediGap policies, we are going to find the same thing, the lowest price for healthier people, and then they get older and sicker, a higher price.

That is why we have offered the substitute. I would like to have the gentleman's thoughts on it.

Mr. POMEROY. I believe attained age rating of the Medicare supplement business generally is inappropriate. I think that it is dead wrong for people whose finances are diminishing in advancing age, whose health is deteriorating in advancing age, to be finding themselves on the upper range of an attained age premium scale. I think that it needs to be addressed in the context of the entire Medicare supplement marketplace, not simply the Medicare select product. Right issue, wrong vehicle. That is why I oppose this substitute. But the gentleman is on to something. This is unacceptable and the insurance commissioners better move quickly on this or Congress should take action.

□ 1730

Mr. WAXMAN. Mr. Chairman, I yield 6 minutes to the gentleman from Michigan [Mr. DINGELL].

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

Mr. DINGELL. Mr. Chairman, I thank the distinguished gentleman from California for yielding me this time.

Mr. Chairman, this is a very important question. It is not something which is arcane. Attained age rating, which this amendment would compel to be not used, permits an insurer to raise his rates on a policy solely on the basis of a policyholder's age.

Some States have sought to place limitations on this practice, and a number of States have already banned that outright, or have community rating.

In all of the States where this has been done, there remains plenty of competition for good Medigap products.

Attained age rating removes the ability of consumers to meaningfully compare different premiums: Hence, this is a practice which undermines the major objective of the 1990 reforms, to standardize policies.

Second, attained age rating can cost consumers thousands of dollars more over the long run than a fairly nicely priced product because it allows insurers to play games with premiums that are hard for regulators to control or consumers to make an intelligent judgment on.

Third, attained age rating is forcing good insurers who want to use community rating to move away from that method of rating. This will cause the kind of fragmentation that occurred in the health insurance marketplace that led to so many of the problems we have today.

Now with thanks to my good friend from California, Mr. STARK, let me go through some of the differences which exist. If you take a policy where premiums do not vary by age, for example the AARP Prudential plan, the plan is, at all times, every year of the life of the insured, $957 a year. But, if you take any of the other plans where attained age rating is used, then you come up with quite a different one.

For example, under Bankers Life and Casualty you start out at age 65 with $892.57, but at age 70 it is $1,060. Your savings are beginning to vanish and, as matter of fact, have done so. By the time you are age 80 it is $1,590.66.

In the case of Blue Cross/Blue Shield of California, at age 65 to 69 it is $780 if they use attained age rating. But by the time they reach 80 it goes to $1,300.80.

In the case of other offerors, for example Life Investors Insurance Co., it starts out at age 65 at $966. It goes at age 70 to $1,200.67. The advantages which you got are now gone. And by the age of 80 it goes to $1,629. In the case of MedCare Plus, it starts at 65 at $833, a saving, but by the time you are at age 80 it is $1,487.

What does the WAXMAN-DINGELL amendment do? Very simple: it says first of all no attained age rating, so that you cannot hook a senior citizen. And if you want to get a senior citizen by selling him an attained age rating insurance policy on the basis he is going to make some massive savings, looks good because he says oh, yeah, I will sign on that, but all of a sudden, by the time he is age 80 and his needs are great, his medical costs and the risks to his pocketbook are greatest, the amount he is paying is almost doubled.

Now under the bill as drawn, a retiree is not able to get out. The WAXMAN-DINGELL amendment says the insurer has to offer him, if he wants out, another insurance package which gives him more conventional type of insurance availability, so that if he finds he is getting skinned or he does not like his service he has a way out of this plan.

The proponents of this legislation have told nobody about these things and they have been somewhat dark secrets and it did not come up very well in the course of the hearings which were conducted in either committee, and we owe particular thanks to the gentleman from California [Mr. STARK] for bringing these matters to light, and we also owe particular thanks to the gentleman from California [Mr. WAXMAN] for having offered the amendment.

The harsh fact of the matter is if you want to protect senior citizens from unscrupulous insurers, from exorbitant prices, from bait and switch, and if you want to see to it that they have decent treatment and they can get out of the onerous process of rapidly escalating costs where they are not offered the services, then you should go this route.

That is, accept and adopt the amendment offered by the gentleman from California [Mr. WAXMAN] on behalf of himself, myself, and the gentleman from California [Mr. STARK].

Mr. Chairman, having said these things, let me simply observe if you really want to protect the senior citizens, if you want to treat them fairly, the Waxman-Dingell-Stark amendment is the way that we should proceed, and to fail to do something different is unfair.

Let us just talk about the home State of the distinguished gentlewoman from Connecticut. That is the State of Connecticut. It requires community rating of all Medigap policies. The Waxman substitute will simply protect that important public policy decision made by the State of Connecticut and will prevent the bill, under the authorship of the distinguished gentlewoman from Connecticut, from skinning a bunch of old folks in amongst other places the State of Connecticut where they may no longer be able to get community-rated policies. And so I urge my colleagues to adopt the amendment that has been offered by the distinguished gentleman from California. I have given Members good reason. They will be protecting the senior citizens from being skinned by unscrupulous bait and switch practices and enabling them to exit policies they have found to be oppressive and to assure that there will be policies available to them at the time they exit. Otherwise you will deny them those important rights.

CONSUMERS UNION,
Washington, DC, April 6, 1995.

DEAR REPRESENTATIVE: We urge you to support the Dingell/Waxman amendment in the nature of substitute to H.R. 483, which is expected to be considered by the House of Representatives on Friday, April 7. Unlike H.R. 483, the Dingell/Waxman amendment offers protections for the nation's senior citizens.

The Dingell/Waxman amendment would do the following:

Limit the extension of Medicare Select to a five year period, assuring that the program is evaluated thoroughly before becoming permanent.

Ban attained age rating for Medicare Select policies. Attained age rating does not belong in health policies designed for people 65 and over; it results in steep premium increases as seniors grow older and have less income, making medigap policies unaffordable for many. Medicare Select policies are at a substantial competitive advantage in the marketplace since, unlike traditional medigap policies, they typically do not have to pay the Part A deductible. Banning attained age rating for Medicare Select policies helps to both level the playing field among medigap insurance policies and provides a first step at protecting seniors against unaffordable medigap premiums.

Require Medicare Select companies to make available to previous Medicare Select policyholders a traditional medigap policy. In today's marketplace, there are no guarantees that seniors with Select policies will have access to a traditional policy in the future at a price they can afford. Without this adjustment, many seniors could find themselves locked into a Select policy when they feel they want and need access to a broader choice of doctors and hospitals.

Many Members have spoken recently of the need to provide choice to seniors. Without the Dingell/Waxman amendment, many seniors will face reduced choice: they will be priced out of the medigap market or will find they have no choice but to remain in a Select policy with limited choice of providers.

We urge you to vote in favor of protecting the nation's senior citizens by supporting the Dingell/Waxman amendment.

Sincerely,

GAIL SHEARER,
Directory, Health Policy Analysis.

Coverage	AFLAC Equalizer, American Family Life Assurance Co. of Columbus, GA		AARP—Prudential Medicare Supplement Plans	Bankers Life and Casualty Co. Medicare Supplements		Blue Cross of Calif. Medicare Select Plans		Blue Shield of Calif. Medicare Supplement Plans	
	Age +	Annual premium	Premiums do not vary by age	Age +	Annual premium	Age +	Annual premium	Age +	Annual premium
Plan A	65–69	$643.50	$552	65	$565.41	65–69	$480	65–66	$720
	70–74	724.90		70	642.21	70–74	540	67–69	852
	75–79	775.50		75	750.10	75–79	600	70–74	936
	85+	809.60		80+	888.76	80+	660	75–79	1,044
								80+	1,044
Plan B	65–69	926.75	858	65	768.65	Not offered		Not offered	
	70–74	1,067.00		70	907.74				
	75–79	1,175.35		75	1,096.90				
	85+	1,263.35		80+	1,340.83				
Plan C	65–69	1,115.40	963	65	884.61	Not offered		Not offered	
	70–74	1,283.70		70	1,045.74				
	75–79	1,426.70		75	1,268.83				
	85+	1,541.65		80+	1,565.01				
Plan D	Not offered		930	65	809.23	Not offered		65–66	960
				70	970.36			67–69	1,140
				75	1,194.32			70–74	1,284
				80+	1,493.01			75–79	1,452
								80+	1,524

Coverage	AFLAC Equalizer, American Family Life Assurance Co. of Columbus, GA		AARP—Prudential Medicare Supplement Plans	Bankers Life and Casualty Co. Medicare Supplements		Blue Cross of Calif. Medicare Select Plans		Blue Shield of Calif. Medicare Supplement Plans	
	Age +	Annual premium	Premiums do not vary by age	Age +	Annual premium	Age +	Annual premium	Age +	Annual premium
Plan E	Not offered		957	65	892.57	65–69	[1] 780	Not offered	
				70	1,061.01	70–74	[1] 1,080		
				75	1,289.77	75–79	[1] 1,260		
				80+	1,590.86	80+	[1] 1,380		
Plan F	65–69	1,316.15	1,161	65	1,220.61	Not offered		65–66	1,044
	70–74	1,507.00		70	1,483.08			67–69	1,248
	75–79	1,663.75		75	1,808.06			70–74	1,392
	85+	1,783.65		80+	2,213.11			75–79	1,572
								80+	1,642
Plan G	65–69	1,218.25	1,104	65	1,111.41	Not offered		Not offered	
	70–74	1,417.35		70	1,368.86				
	75–79	1,584.00		75	1,693.51				
	85+	1,715.45		80+	2,107.40				
Plan H	Not offered		1,212	65	1,778.49	Not offered		65–66	1,224
				70	2,115.47			67–69	1,452
				75	2,555.43			70–74	1,608
				80+	3,116.16			75–79	1,788
								80+	1,896
Plan I	Not offered		1,377	65	2,576.81	65–69	[2] 1,620	65–66	1,440
				70	3,071.87	70–74	[2] 1,920	67–69	1,692
				75	3,704.70	75–79	[2] 2,220	70–74	1,860
				80+	4,505.31	80+	[2] 2,340	75–79	2,088
								80+	2,208
Plan J	Not offered		1,764	Not offered		Not offered		Not offered	

[1] Prudent Buyer Plan. Added skilled nursing facility days. Part B deductible not covered.
[2] Platinum Plan, no drug limit. Increased skilled nursing facility days. No Part B deductible.
Senior World Magazine, May 1994.

Coverage	Golden State Mutual Life, Medicare supplement plans		Life Investors Inc. Co., Medicare supplements		Med-Care Plus Bankers Multiple Line Ins. Co., Medicare supplements		Medico Life, Medicare supplement insurance		Mutual of Omaha, Medicare supplement plans		National Home Life Assurance Co., Medicare supplement insurance			Physicians Mutual Inc. Co., total senior care	
	Age +	Annual premium	Age +	Annual premium	Age +	Annual premium	Age +	Annual premium	Age +	Annual premium	Age +	Annual premium		Age +	Annual premium
Plan A	65–69	$447.27	65	$543.60	65	$519.70	65	$627.15	65	$684.37		Male	Female	65–89	$518.10
	70–74	630.63	70	712.80	70	590.18	66–69	661.05	70	852.07	65	$419.40	$371.40		
	75	930.99	75	865.60	75	689.45	70–72	721.90	79	1,062.67	66–70	539.40	479.40		
			80+	916.80	80+	816.87	73–75	766.35	80+	1,141.14	71–75	599.40	539.40		
							76–79	793.30			76+	659.40	575.40		
							80+	816.70							
Plan B	65–69	531.80	65	808.80	65	720.43	Not offered		Not offered			Male	Female	Not offered	
	70–74	749.81	70	1,062.00	70	850.79					65	719.40	647.40		
	75	1,106.92	75	1,274.40	75	1,027.96					66–70	1,007.40	839.40		
			80+	1,365.60	80+	1,256.61					71–75	1,079.40	947.40		
											76+	1,199.40	995.40		
Plan C	Not offered		65	945.60	65	834.54	65	1,123.20	65	1,157.21		Not offered		65–89	873.10
			70	1,240.80	70	986.61	66–69	1,189.90	70	1,440.82				70–79	977.68
			75	1,489.20	75	1,197.04	70–72	1,310.40	79	1,796.96				80–84	1,070.41
			80+	1,596.00	80+	1,476.42	73–75	1,411.05	80+	1,929.72					
							76–79	1,491.75							
							80+	1,583.05							
Plan D	Not offered		65	924.00	65	759.81	Not offered		Not offered			Not offered		Not offered	
			70	1,213.20	70	911.12									
			75	1,455.60	75	1,121.45									
			80+	1,560.00	80+	1,401.92									
Plan E	Not offered		65	966.00	65	833.34	Not offered		Not offered			Not offered		Not offered	
			70	1,267.20	70	990.65									
			75	1,521.60	75	1,204.35									
			80+	1,629.60	80+	1,485.37									
Plan F	Not offered		65	1,089.60	65	1,220.61	65	1,372.45	65	1,294.02		Not offered		65–69	1,208.79
			70	1,430.40	70	1,483.08	66–69	1,452.00	70	1,611.17				70–79	1,286.56
			75	1,716.00	75	1,808.06	70–72	1,597.05	75	2,009.59				80–89	1,371.59
			80+	1,838.40	80+	2,213.11	73–75	1,714.05	80+	2,157.95					
							76–79	1,806.50							
							80+	1,908.30							
Plan G	Not offered		65	1,039.20	65	1,111.41	Data unavailable		Not offered			Male	Female	Not offered	
			70	1,364.40	70	1,368.86					65	947.40	827.40		
			75	1,598.40	75	1,693.51					66–70	1,307.40	1,079.40		
			80+	1,754.40	80+	2,107.40					71–75	1,415.40	1,199.40		
											76+	1,547.40	1,307.40		
Plan H	Not offered		65	1,296.00	65	1,660.57	Not offered		Not offered			Not offered		Not offered	
			70	1,700.40	70	1,975.29									
			75	2,040.00	75	2,385.91									
			80+	2,185.20	80+	2,909.65									
Plan I	Not offered		65	1,519.20	65	2,410.45	Not offered		65	1,876.21		Not offered		Not offered	
			70	1,993.20	70	2,873.54			70	1,955.93					
			75	2,391.60	75	3,465.68			79	2,439.68					
			80+	2,563.20	80+	4,214.58			80+	2,619.71					
Plan J	Not offered		65	2,235.60	Not offered		Not offered		Not offered			Not offered		65–69	1,858.45
			70	2,935.20										70–79	2,000.02
			75	3,522.00										80–89	2,153.80
			80+	3,772.80											
	Phone 1–213–731–1131 for specific details on coverages.		Six month waiting period for medical conditions occurring within 6 months prior to effective date of coverage. If policy replaces previous supplement insurance, credit for pre-existing condition limitation is applied. Phone 1–800–229–6565 for specific details.		Preferred Provider plan. No balance billing. All network providers accept assignment. Automatic claims filing when using network providers. Rates vary by zip code. Rates shown are for zip code areas 918–925. Phone 619–747–7712 for specific details on coverage and network providers.		Rates vary by geographical areas. Rates shown are for the San Diego area. No pre-existing medical condition limitation. Phone 1–800–228–6080 for specifics on coverages and current rates for geographical areas.		Rates vary by zip code. Rates shown are for zip code areas 900–931. No waiting period for pre-existing conditions for Plans A, C or F. Phone 1–800–228–7669 or 1–402–342–7600 for details and coverage specifics. Automated claims processing feature.		6 months waiting period for pre-existing medical conditions occurring within six months prior to effective date of coverage. Phone 1–800–356–6271 for specifics on details and coverages.			Special savings if husband-wife plans selected. No waiting period for pre-existing conditions. Rates vary by zip code areas. Rates shown are for zip code 92128. Phone 1–800–325–6300 for specifics and coverages.	

Senior World Magazine, May 1994.

Mr. WAXMAN. Mr. Chairman, do I get to close on the debate?

The CHAIRMAN. The gentleman from Virginia [Mr. BLILEY] has the right to close.

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

Mr. Chairman, if I might on our side conclude the debate, I would say this is an important consumer protection effort. As we go down the road of Medicare select, going from 15 States to 50, I worry about what it is going to mean for consumers who may well be taken advantage of by insurance companies that will be able to raise their rates after they get older and, more likely, sick. I agree that it would be viable for us to do this for all Medigap policies, and I hope at some point we will be able to reach all Medigap policies. But this is what is before us now and it would be improper under the rules and nongermane to offer an amendment to all Medigap policies.

But when we come to the closed panel and the fact that consumers will want a choice beyond that, this is the appropriate place and I think it is appropriate to do what Democrats and Republicans recommended out of the Committee on Commerce, and to put that 5-year sunset in place.

This amendment is supported by the Consumers Union, which has played a very active role in advising people about the dangers for consumers, that consumers can be taken advantage of. And it says in this amendment, according to the Consumers Union, the statement which I would like to put in the RECORD, many seniors will face reduced choice, they will be priced out of the Medigap market, or they will find that they have no choice but to remain in a select policy with limited choice of providers.

That is our fear. We think Medicare select policies can survive and function well and we want to encourage them, but we want consumer protections built in. I urge support of the amendment.

Mr. Chairman, I yield back the balance of my time.

Mr. BLILEY. Mr. Chairman, I yield myself 30 seconds just to say that one of the problems—and I know the intentions of the gentleman who offered this and I respect him intensely—is that you have an unintended consequence. That is, if you mandate these things on one Medigap policy and they are not mandated on the others, you will have the effect of killing the program because the premiums will be higher.

Mr. Chairman, to close debate on our side, I yield such time as she may consume to the gentlewoman from Connecticut [Mrs. JOHNSON].

Mrs. JOHNSON of Connecticut. Mr. Chairman, I thank the gentleman for yielding time to me.

Mr. Chairman, I rise in opposition to the amendment, but I am pleased that the underlying bill has broad bipartisan support. We are joined together in wanting to make available to seniors a lower-cost, high-quality Medigap insurance policy.

The amendment, however, jeopardizes that choice for seniors because if the amendment passes, it will require Medicare select plans to offer a benefit that no other Medigap policy is required to offer, and by doing that you will force the price of Medicare select policies up, you will kill the savings that seniors now enjoy by buying Medicare select policies. So you will effectively eliminate a choice that has been very good for seniors, very helpful to them in a tough world, saves them $300 a year, and offers them prescription drugs and broader coverage than other Medigap plans could offer them.

We would do ourselves and we would do the seniors of America a great disservice if under the guise of reform we denied them alone any access to participate in, on a voluntary basis, a managed care plan. Medicare is a fee-for-service system. Medicare also has a very tight, closed panel HMO component. The only access seniors have to participate in integrated systems of care is through the Medicare select plan.

If today under the guise of reform we force those plans to offer a benefit that no other Medigap policy in the market has to offer, we put that plan at a competitive disadvantage that will kill it, and we will deny to seniors the most cost-effective, high-quality plan in the market.

I urge a ''no'' vote on the substitute and a yes vote on the bill.

Mrs. COLLINS of Illinois. Mr. Chairman, I rise in support of the substitute offered by Congressmen DINGELL and WAXMAN to H.R. 483, the Expanded Use of Medicare Select Policies Act. This bill would expand the Medicare select demonstration program that currently exists in my State of Illinois and 14 other States to all 50 States and extend these programs until June 2000 and beyond unless the Secretary of Health and Human Services determines otherwise.

Under this program, senior citizens on Medicare are allowed to buy private MediGap insurance policies through managed-care providers to supplement what Medicare does not cover.

I rise in support of the substitute because it would establish important consumer protection safeguards for senior citizens for MediGap insurance. Specifically, the substitute would ban attained age rating for Medicare select policies. Attained age rating hurts senior citizens when they are at their most vulnerable. As they grow older and have less income, attained age rating causes seniors' premiums to rise sharply, make MediGap insurance increasingly unaffordable for many senior citizens on limited incomes. It is critically important to many senior citizens in my district that attained age rating is eliminated.

The substitute would also limit the extension of Medicare select to a 5-year period, to ensure that we provide ample opportunity to review the program before it is established permanently.

Mr. Chairman, I would also like this opportunity to express concerns that I have about the reason that H.R. 483 is being pushed through the House at this time. Based on the drastic cuts that I have seen made to programs during the Republicans' first 100 days, it is crystal clear to me that draconian cuts to Medicare are ahead. There is already discussion about turning Medicare into block grants for the States and based on what happened to the Federal school lunch and breakfast programs in the House of Representatives, I know that block grant is a code word for cutting, slashing, and eliminating.

Let me just urge my colleagues who intend to support this bill to not use H.R. 483 as the first thread with which to unravel the entire Medicare system. I have far too many senior citizens in my district who depend on Medicare and would be devastated by any cuts to the program to allow it to be destroyed.

Mr. BLILEY. Mr. Chairman, I yield back the balance of our time.

The CHAIRMAN. The question is on the amendment in the nature of a substitute offered by the gentleman from California [Mr. WAXMAN].

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. WAXMAN. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 175, noes 246, not voting 13, as follows:

[Roll No. 301]

AYES—175

Abercrombie	Frank (MA)	Meek
Andrews	Furse	Menendez
Baesler	Gejdenson	Mfume
Baldacci	Gephardt	Miller (CA)
Barcia	Gibbons	Mineta
Barrett (WI)	Gonzalez	Mink
Becerra	Gordon	Moakley
Beilenson	Green	Mollohan
Bentsen	Gutierrez	Montgomery
Berman	Hall (OH)	Moran
Bonior	Hall (TX)	Murtha
Borski	Hamilton	Nadler
Brewster	Hastings (FL)	Neal
Brown (FL)	Hayes	Oberstar
Brown (OH)	Hefner	Obey
Bryant (TX)	Hilliard	Olver
Cardin	Hinchey	Ortiz
Clay	Holden	Orton
Clayton	Hoyer	Owens
Clement	Jackson-Lee	Pallone
Clyburn	Jefferson	Pastor
Coleman	Johnson (SD)	Payne (NJ)
Collins (IL)	Johnson, E. B.	Poshard
Condit	Johnston	Rahall
Conyers	Kanjorski	Rangel
Costello	Kaptur	Reed
Coyne	Kennedy (MA)	Richardson
Danner	Kennedy (RI)	Rivers
de la Garza	Kildee	Roemer
DeFazio	Kleczka	Roybal-Allard
DeLauro	Klink	Rush
Dellums	LaFalce	Sanders
Deutsch	Lantos	Sawyer
Dicks	Levin	Schroeder
Dingell	Lewis (GA)	Schumer
Dixon	Lincoln	Scott
Doggett	Lipinski	Serrano
Dooley	Lofgren	Skaggs
Doyle	Lowey	Slaughter
Durbin	Luther	Spratt
Edwards	Maloney	Stark
Engel	Manton	Stenholm
Eshoo	Markey	Stokes
Evans	Martinez	Studds
Farr	Mascara	Stupak
Fattah	Matsui	Tauzin
Fazio	McCarthy	Taylor (MS)
Fields (LA)	McDermott	Tejeda
Filner	McHale	Thompson
Flake	McKinney	Thornton
Foglietta	McNulty	Thurman
Ford	Meehan	Torres

Torricelli
Towns
Traficant
Tucker
Velazquez
Vento
Visclosky
Volkmer
Ward
Waters
Watt (NC)
Waxman
Williams
Wilson
Wise
Woolsey
Wyden
Wynn
Yates

NOES—246

Allard
Archer
Armey
Bachus
Baker (CA)
Baker (LA)
Ballenger
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bereuter
Bevill
Bilbray
Bilirakis
Bishop
Bliley
Blute
Boehlert
Boehner
Bonilla
Bono
Boucher
Browder
Brownback
Bryant (TN)
Bunn
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Canady
Castle
Chabot
Chenoweth
Christensen
Chrysler
Clinger
Coble
Coburn
Collins (GA)
Combest
Cooley
Cox
Cramer
Crane
Crapo
Cremeans
Cubin
Cunningham
Davis
Deal
DeLay
Diaz-Balart
Doolittle
Dornan
Dreier
Duncan
Dunn
Ehlers
Ehrlich
Emerson
English
Ensign
Everett
Ewing
Fawell
Fields (TX)
Flanagan
Foley
Forbes
Fowler
Fox
Franks (CT)
Franks (NJ)
Frelinghuysen
Frisa
Funderburk
Gallegly
Ganske
Gekas
Geren
Gilchrest
Gillmor
Gilman
Goodlatte
Goodling
Goss
Graham
Greenwood
Gunderson
Gutknecht
Hancock
Hansen
Harman
Hastert
Hastings (WA)
Hayworth
Hefley
Heineman
Herger
Hilleary
Hobson
Hoekstra
Hoke
Horn
Hostettler
Houghton
Hunter
Hutchinson
Hyde
Inglis
Istook
Jacobs
Johnson (CT)
Johnson, Sam
Jones
Kasich
Kelly
Kennelly
Kim
King
Kingston
Klug
Knollenberg
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
Metcalf
Meyers
Mica
Miller (FL)
Minge
Molinari
Moorhead
Morella
Myers
Myrick
Nethercutt
Neumann
Ney
Norwood
Nussle
Oxley
Packard
Parker
Paxon
Payne (VA)
Peterson (FL)
Peterson (MN)
Petri
Pombo
Pomeroy
Porter
Portman
Pryce
Quillen
Quinn
Radanovich
Ramstad
Regula
Riggs
Roberts
Rogers
Rohrabacher
Ros-Lehtinen
Roth
Roukema
Royce
Sabo
Salmon
Sanford
Saxton
Scarborough
Schaefer
Schiff
Seastrand
Sensenbrenner
Shadegg
Shaw
Shays
Sisisky
Skeen
Skelton
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Solomon
Souder
Spence
Stearns
Stockman
Stump
Talent
Tanner
Tate
Taylor (NC)
Thomas
Thornberry
Tiahrt
Torkildsen
Upton
Vucanovich
Waldholtz
Walker
Walsh
Wamp
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Wolf
Young (AK)
Young (FL)
Zeliff
Zimmer

NOT VOTING—13

Ackerman
Brown (CA)
Chambliss
Chapman
Collins (MI)
Dickey
Frost
Kolbe
Pelosi
Pickett
Reynolds
Rose
Shuster

□ 180

The Clerk announced the following pair:

On this vote:

Ms. Pelosi for, with Mr. Chambliss against.

Mr. GREENWOOD and Mr. BISHOP changed their vote from ''aye'' to ''no.''

Messrs. MARTINEZ, TAUZIN, WILLIAMS, and MEEHAN changed their vote from ''no'' to ''aye.''

So the amendment in the nature of a substitute was rejected.

The result of the vote was announced as above recorded.

The CHAIRMAN. The question is on the amendment in the nature of a substitute made in order as original text.

The amendment in the nature of a substitute made in order as original text was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker pro tempore [Mr. HOBSON] having assumed the chair, Mr. BONILLA, 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. 483) to amend title XVIII of the Social Security Act to permit Medicare select policies to be offered in all States, and for other purposes, pursuant to House Resolution 130, reported the bill back to the House with an amendment adopted by the Committee of the Whole.

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

The question is on the amendment.

The amendment was agreed to.

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

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

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

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

RECORDED VOTE

Mrs. JOHNSON of Connecticut. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered

The vote was taken by electronic device, and there were—ayes 408, noes 14, not voting 12, as follows:

[Roll No. 302]

AYES—408

Allard
Andrews
Archer
Bachus
Baesler
Baker (CA)
Baker (LA)
Baldacci
Ballenger
Barcia
Barr
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bass
Bateman
Becerra
Beilenson
Bentsen
Bereuter
Berman
Bevill
Bilbray
Bilirakis
Bishop
Bliley
Blute
Boehlert
Boehner
Bonilla
Bonior
Bono
Borski
Boucher
Brewster
Browder
Brown (FL)
Brown (OH)
Brownback
Bryant (TN)
Bryant (TX)
Bunn
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Canady
Cardin
Castle
Chabot
Chambliss
Chenoweth
Christensen
Chrysler
Clay
Clayton
Clement
Clinger
Clyburn
Coble
Coburn
Coleman
Collins (GA)
Collins (IL)
Collins (MI)
Combest
Condit
Cooley
Costello
Cox
Coyne
Cramer
Crane
Crapo
Cremeans
Cubin
Cunningham
Danner
Davis
de la Garza
Deal
DeFazio
DeLauro
DeLay
Deutsch
Diaz-Balart
Dicks
Dixon
Doggett
Dooley
Doolittle
Dornan
Doyle
Dreier
Duncan
Dunn
Durbin
Edwards
Ehlers
Ehrlich
Emerson
Engel
English
Ensign
Eshoo
Evans
Everett
Farr
Fawell
Fazio
Fields (LA)
Fields (TX)
Filner
Flake
Flanagan
Foglietta
Foley
Forbes
Ford
Fowler
Fox
Frank (MA)
Franks (CT)
Franks (NJ)
Frelinghuysen
Frisa
Funderburk
Furse
Gallegly
Ganske
Gejdenson
Gekas
Gephardt
Geren
Gibbons
Gilchrest
Gillmor
Gilman
Goodlatte
Goodling
Gordon
Goss
Graham
Green
Greenwood
Gunderson
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hamilton
Hancock
Hansen
Harman
Hastert
Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Hefley
Hefner
Heineman
Herger
Hilleary
Hilliard
Hinchey
Hobson
Hoekstra
Hoke
Holden
Horn
Hostettler
Houghton
Hoyer
Hunter
Hutchinson
Hyde
Inglis
Istook
Jackson-Lee
Jacobs
Jefferson
Johnson (CT)
Johnson (SD)
Johnson, E. B.
Johnson, Sam
Jones
Kanjorski
Kaptur
Kasich
Kelly
Kennedy (MA)
Kennelly
Kildee
Kim
King
Kingston
Kleczka
Klink
Klug
Knollenberg
LaFalce
LaHood
Lantos
Largent
Latham
LaTourette
Laughlin
Lazio
Leach
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Lightfoot
Lincoln
Linder
Lipinski
Livingston
LoBiondo
Lofgren
Longley
Lowey
Lucas
Luther
Maloney
Manton
Manzullo
Markey
Martinez
Martini
Mascara
Matsui
McCarthy
McCollum
McCrery
McDade
McHale
McHugh
McInnis
McIntosh
McKeon
McKinney
McNulty
Meehan
Meek
Menendez
Metcalf
Meyers
Mfume
Mica
Miller (CA)
Miller (FL)
Mineta
Minge
Moakley
Molinari
Mollohan
Montgomery
Moorhead
Moran
Morella
Murtha
Myers
Myrick
Nadler
Neal
Nethercutt
Neumann
Ney
Norwood
Nussle
Oberstar
Obey
Olver
Ortiz
Orton
Owens
Oxley
Packard
Pallone
Parker
Pastor
Paxon
Payne (VA)
Peterson (FL)
Peterson (MN)
Petri
Pickett
Pombo
Pomeroy
Porter
Portman
Poshard
Pryce
Quillen
Quinn
Radanovich
Rahall
Ramstad
Rangel
Reed
Regula
Richardson
Riggs
Rivers
Roberts
Roemer
Rogers
Rohrabacher
Ros-Lehtinen
Rose
Roth
Roukema
Roybal-Allard
Royce
Rush
Sabo
Salmon
Sanders
Sanford
Sawyer
Saxton
Scarborough
Schaefer
Schiff
Schroeder
Schumer
Scott
Seastrand
Sensenbrenner
Serrano
Shadegg
Shaw
Shays
Sisisky
Skaggs
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Solomon
Souder
Spence

Spratt	Tiahrt	Waxman
Stearns	Torkildsen	Weldon (FL)
Stenholm	Torres	Weldon (PA)
Stockman	Torricelli	Weller
Stokes	Towns	White
Studds	Traficant	Whitfield
Stump	Tucker	Wicker
Talent	Upton	Williams
Tanner	Velazquez	Wilson
Tate	Vento	Wise
Tauzin	Visclosky	Wolf
Taylor (MS)	Volkmer	Woolsey
Taylor (NC)	Vucanovich	Wyden
Tejeda	Waldholtz	Wynn
Thomas	Walker	Yates
Thompson	Walsh	Young (AK)
Thornberry	Wamp	Young (FL)
Thornton	Ward	Zeliff
Thurman	Watts (OK)	Zimmer

NOES—14

Abercrombie	Gonzalez	Stark
Conyers	Johnston	Stupak
Dellums	Kennedy (RI)	Waters
Dingell	McDermott	Watt (NC)
Fattah	Mink	

NOT VOTING—12

Ackerman	Dickey	Payne (NJ)
Armey	Ewing	Pelosi
Brown (CA)	Frost	Reynolds
Chapman	Kolbe	Shuster

□ 1826

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

AUTHORIZING THE CLERK TO MAKE CORRECTIONS IN ENGROSSMENT OF H.R. 483, MEDICARE SELECT EXPANSION

Mr. BLILEY. Mr. Speaker, I ask unanimous consent that in the engrossment of the bill, H.R. 483, the Clerk be authorized to make technical corrections and conforming changes to the bill.

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

There was no objection.

GENERAL LEAVE

Mr. BLILEY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks, and include extraneous material, on the bill just passed.

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

There was no objection.

FURTHER MESSAGE FROM THE PRESIDENT

A further message in writing from the President of the United States was communicated to the House by Mr. Edwin Thomas, one of his secretaries.

□ 1830

SPECIAL ORDERS

The SPEAKER pro tempore (Mr. RADANOVICH). Under the Speaker's announced policy of January 4, 1995, and under a previous order of the House, the following Members are recognized for 5 minutes each:

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

[Mr. WYNN addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

NATIONAL FORMER PRISONER OF WAR RECOGNITION DAY

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

Mr. BILIRAKIS. Mr. Speaker, since 1987, Congress has approved legislation declaring April 9 as ''Former Prisoner of War Recognition Day.'' These men and women are among our greatest patriots and I cannot think of a group more deserving of remembrance and special recognition than our former prisoners of war.

Under the new rules adopted at the start of this session, Congress will not enact commemorative legislation this year. That being the case, we should take the time now to honor the Americans held captive in past conflicts and wars.

All those who have been prisoners of war know the true meaning of freedom and have paid a tremendous price for the liberty we all cherish. Their service and sacrifice, and that of their fellow veterans, make possible our way of life.

Some of you may wonder why April 9 was chosen as a day for recognition for former prisoners of war. It was on April 9, 1942, that the largest contingent of American forces ever were taken prisoner with the fall of Bataan in the Philippines during World War II.

Many of those taken prisoner did not survive the infamous Bataan Death March that followed or the nearly 4 years of captivity in deplorable prisoner of war camps throughout the Far East. Many of those that did survive were left with permanent disabilities from the brutalities that they endured.

The 9th of April is also the day on which Gen. Robert E. Lee surrendered to Gen. Ulysses S. Grant at Appatomax, VA, to end the Civil War between the North and South. On that day, prisoners from both sides were released and allowed to return home.

While April 9 commemorates the fall of Bataan and the release of prisoners at the end of the Civil War, the significance of this day extends to all Americans who were ever held prisoner by enemy forces. The brutal treatment and torture to which these POW's were subjected by their captors in violation of fundamental standards of morality and international law ensured that many did not survive.

Yet, despite the suffering inflicted upon them, American POW's have demonstrated an unfailing devotion to duty, honor, and country. Their service helped preserve our freedom through two world wars, regional conflicts of the cold war era, and since. They have given more than most Americans will be called upon to give for their country.

Today, the American Ex-Prisoners of War, an organization comprised of former POW's—both military and civilian—is raising funds to build the National Prisoner of War Museum. This museum will be located at the site of the Civil War prison camp in Andersonville, GA. It will be a legacy for all generations that follow and will contain historic accounts and memorabilia that pertain to former American prisoners from all wars.

Former Prisoner of War Recognition Day serves as a poignant reminder of the sacrifice and commitment of all the American men and women whose patriotism has been tested by the chains of enemy captivity.

Their experiences underscore our debt to those who place their lives in harm's way and stand willing to trade their liberty for ours. As a Nation, we must always remember the sacrifices made by our men and women in uniform.

I hope all of my colleagues will join me in paying special tribute to former prisoners of war. There is little we can do to repay these men and women, but we can recognize their invaluable contribution.

REPORT ON ENVIRONMENTAL QUALITY AND NATURAL RESOURCES—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, referred to the Committee on Resources:

To the Congress of the United States:

The United States has always been blessed with an abundance of natural resources. Together with the ingenuity and determination of the American people, these resources have formed the basis of our prosperity. They have given us the opportunity to feed our people, power and industry, create our medicines, and defend our borders—and we have a responsibility to be good stewards of our heritage. In recent decades, however, rapid technological advances and population growth have greatly enhanced our ability to have an impact on our surroundings—and we do not always pause to contemplate the consequences of our actions. Far too often, our short-sighted decisions cause the greatest harm to the very people who are least able to influence them—future generations.

We have a moral obligation to represent the interests of those who have no voice in today's decisions—our children and grandchildren. We have a responsibility to see that they inherit a

productive and livable world that allows their families to enjoy the same or greater opportunities than we ourselves have enjoyed. Those of us who still believe in the American Dream will settle for no less. Those who say that we cannot afford both a strong economy and a healthy environment are ignoring the fact that the two are inextricably linked. Our economy will not remain strong for long if we continue to consume renewable resources faster than they can be replenished, or nonrenewable resources faster than we can develop substitutes; America's fishing and timber-dependent communities will not survive for long if we destroy our fisheries and our forests. Whether the subject is deficit spending or the stewardship of our fisheries, the issue is the same: we should not pursue a strategy of short-term gain that will harm future generations.

Senators Henry Jackson and Ed Muskie, and Congressman John Dingell understood this back in 1969 when they joined together to work for passage of the National Environmental Policy Act. At its heart, the National Environmental Policy Act is about our relationship with the natural world, and about our relationship with future generations. For the first time, the National Environmental Policy Act made explicit the widely-held public sentiment that we should live in harmony with nature and make decisions that account for future generations as well as for today. It declared that the Federal Government should work in concert with State and local governments and the citizens of this great Nation ''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 of Americans.''

Over the past 25 years, America has made great progress in protecting the environment. The air is cleaner in many places than it was, and we no longer have rivers that catch on fire. And yet, this year in Milwaukee, more than 100 people died from drinking contaminated water, and many of our surface waters are still not fit for fishing and swimming. One in four Americans still lives near a toxic dump and almost as many breathe air that is unhealthy.

In order to continue the progress that we have made and adequately provide for future generations, my Administration is ushering in a new era of common sense reforms. We are bringing together Americans from all walks of life to find new solutions to protect our health, improve our Nation's stewardship of natural resources, and provide lasting economic opportunities for ourselves and for our children. We are reinventing environmental programs to make them work better and cost less.

My Administration is ushering in a new era of environmental reforms in many ways. Following is a description of a few of these reforms, grouped into three clusters: first, stronger and smarter health protection programs such as my proposed Superfund reforms and EPA's new common sense approach to regulation; second, new approaches to resource management, such as our Northwest forest plan, that provide better stewardship of our natural resources and sustained economic opportunity; and third, the promotion of innovative environmental technologies, for healthier air and water as well as stronger economic growth now and in the future.

Stronger and Smarter Health Protection Programs. Throughout my Administration, we have been refining Government, striving to make it work better and cost less. One of the best places to apply this principle in the environmental arena is the Superfund program. For far too long, far too many Superfund dollars have been spent on lawyers and not nearly enough have been spent on clean-up. I've directed my Administration to reform this program by cutting legal costs, increasing community involvement, and cleaning up toxic dumps more quickly. The reformed Superfund program will be faster, fairer, and more efficient—and it will put more land back into productive community use.

Similarly, EPA is embarking on a new strategy to make environmental and health regulation work better and cost less. This new common sense approach has the potential to revolutionize the way we write environmental regulations. First, EPA will not seek to adopt environmental standards in a vacuum. Instead, all the affected stakeholders—representatives of industry, labor, State governments, and the environmental community—will be involved from the beginning. Second, we will replace one-size-fits-all regulations with a focus on results achieved with flexible means. And at last, we're taking a consistent, comprehensive approach. With the old piecemeal approach, the water rules were written in isolation of the air rules and the waste rules, and too often led to results that merely shuffled and shifted pollutants—results that had too little health protection at too great a cost. With its new commonsense approach, EPA will address the full range of environmental and health impacts of a given industry—steel or electronics for example—to get cleaner, faster, and cheaper results.

Better Stewardship of our Natural Resources. Just as representative of our new approach to the environment—and just as grounded in common sense—is the Administration's commitment to ecosystems management of the Nation's natural resources. For decades ecologists have known that what we do with one resource affects the others. For instance, the way we manage a forest has very real consequences for the quality of the rivers that run through the forest, very real consequences for the fishermen who depend on that water for their livelihood, and very real consequences for the health of the community downstream. But until recently, government operations failed to account adequately for such interaction. In many cases, several Federal agencies operated independently in the same area under different rules. In many cases, no one paused to ponder the negative consequences of their actions until it was too late.

Often, these consequences were catastrophic, leading to ecological and economic train wrecks such as the collapse of fisheries along the coasts, or the conflict over timber cutting in the Pacific Northwest. When I convened the Forest Conference earlier this year I saw the devastating effects of the Federal Government's lack of foresight and failure to provide leadership. Here, perhaps more than anywhere else, is a case study in how a failure to anticipate the consequences of our actions on the natural environment can be devastating to our livelihood in the years ahead. Our forest plan is a balanced and comprehensive program to put people back to work and protect ancient forests for future generations. It will not solve all of the region's problems but it is a strong first step at restoring both the long-term health of the region's ecosystem and the region's economy.

Innovative Environmental Technologies. Environmental and health reforms such as EPA's common sense strategy and natural resource reforms such as the forest plan provide an opportunity, and an obligation, to make good decisions for today that continue to pay off for generations to come. In much the same way, sound investments in environmental technology can ensure that we leave to future generations a productive, livable world. Every innovation in environmental technology opens up a new expanse of economic and environmental possibilities, making it possible to accomplish goals that have eluded us in the past. From the very beginning, I have promoted innovative environmental technologies as a top priority. We've launched a series of environmental technology initiatives, issued a number of Executive orders to help spur the application of these technologies, and taken concrete steps to promote their export. Experts say the world market for environmental technology is nearly $300 billion today and that it may double by the year 2000. Every dollar we invest in environmental technology will pay off in a healthier environment worldwide, in greater market share for U.S. companies, and in more jobs for American workers.

Innovations in environmental technology can be the bridge that carries us from the threat of greater health crises and ecological destruction toward the promise of greater economic prosperity and social well-being. Innovation by innovation, we can build a world transformed by human ingenuity

and creativity—a world in which economic activity and the natural environment support and sustain one another.

This is the vision that Jackson, Muskie, and Dingell articulated more than two decades ago when they wrote in the National Environmental Policy Act that we should strive to live in productive harmony with nature and seek to fulfill the social and economic needs of future generations. We share a common responsibility to see beyond the urgent pressures of today and think of the future. We share a common responsibility to speak for our children, so that they inherit a world filled with the same opportunity that we had. This is the vision for which we work today and the guiding principle behind my Administration's environmental policies.

WILLIAM J. CLINTON.

THE WHITE HOUSE, *April 6, 1995.*

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

[Mr. DEFAZIO addressed the House. His remarks will appear hereafter in the Extensions of remarks.]

HIGHER EDUCATION ASSISTANCE NEEDED IN AMERICA

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Colorado [Mrs. SCHROEDER] is recognized for 5 minutes.

Mrs. SCHROEDER. Mr. Speaker, I take the well tonight to talk about student loans and what is happening with our young people. We have had several events in my district on student loans. When you look at the numbers in the State of Colorado, over 90,000 young people are receiving student loans. They are very concerned about having to start paying interest from the minute they get that loan while they are in school, because it will really increase the price.

We have also had a lot of the direct lending going on in Colorado, and that makes a tremendous amount of sense, because it cuts out the middleman and gives you more money for loans, and it also means that the school is much more involved with the young person and the young person is not as apt to take the money and go spend it for something other than school. If the school is doing the lending, the school is going to be much more certain that the student comes and the student goes to class. If they are not and they bought a pickup with it or something instead, they will know.

I think the most moving thing that happened at our very first student loan meeting in Colorado was that Dikembe Mutombo came. Maybe many of you do not know him, but he is a very prominent basketball player for the Denver Nuggets. He got off the plane, went to the meeting, and went immediately back to the airport to meet his next game.

He said he knew personally how very, very, very much government aid can help in getting an education; that he would not have gotten even his education if it had not been for the U.S. Government helping him and Georgetown helping him, and he could not possibly believe we would be doing anything to make this more difficult in this country.

You see, today we had a vote on the tax cuts, and people said well, that is the crown jewel of the contract. Let me tell you, I think the crown jewels of this country are our kids, and we have seen a tremendous war on kids I think these last 100 days. Whether you are talking about knocking out Big Bird and Bert and Ernie, about the only decent things left to watch on TV, whether you are talking about cutting back on the nutrition programs, whether you are talking about the great cuts in the math and science programs for public schools, whether you are talking about doing away with summer jobs, we totally zeroed that out, whether you are talking about what we did to the National Service Program, which was the program that allowed young people to work in their community and for that get credit for going on to school or get credit that would be relieving them from some of their student loans. That got really devastated. We had 511 kids that will be knocked out in my district on that alone.

So we are starting to get all these phone calls from young people saying well, what happened? My city tells me there will not be any summer jobs. And we say that is right. Zero means none.

I do not know what happens in the cities this summer. I certainly hope people find other ways to do it. But you know, you cannot keep telling kids to say ''no'' to things if there is nothing for them to say ''yes'' to. And if they do not think they can go on to school, and they are certainly going to think that as you see Pell grants reduced, the work study programs reduced, national service dissipated, and obviously we are taking in fewer and fewer young people in the military, so the Montgomery GI Bill is going to be less and less of an option for many, they are seeing doors slammed in their face every single day. And these young people are the stockholders in the 21st century. They are going to be the ones that provide either that this country has great leadership and continues to remain prominent on the world stage, or, if we do not have them educated, if we do not have them prepared to compete, they are the ones that are going to allow this country to sink.

So I think the one thing that we ought to be doing in this Congress is hold young people harmless from this debt and all these cuts we are making in order to provide tax cuts. I think we ought to do that because these young people did not cause this debt. They are going to inherit it, and they are going to need all the skills they can have to be able to figure out how to deal with it. And I just find it absolutely amazing they are the first ones we are offering up as a sacrifice to the debt.

Every American home I know, when that family is in trouble economically, they sit at that kitchen table and they work that budget every way they know how to hold those children harmless as long as they possibly can from any economic downturn in the family. We all know the stories. We have all heard about our own families and the sacrifices they made to get us where we are.

I think it is outrageous that we go after the young people first. That is what we did in these first 100 days, and I hope it stops.

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

[Mr. SAXTON 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 Pennsylvania [Mr. CLINGER] is recognized for 5 minutes.

[Mr. CLINGER 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 Indiana [Mr. BURTON] is recognized for 5 minutes.

[Mr. BURTON addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

GUAM COMMONWEALTH

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

Mr. UNDERWOOD. Mr. Speaker, as a former academic administrator, I would like to add my words of strong support to the statement just made by the gentlewoman from Colorado. One of the most stirring things about America is the ability to get ahead, and you get ahead through higher education. The proposals from the other side of the aisle are unconscionable and put a heavy burden on our young people. I might add I received an e-mail from one of the students at college at the University of Guam that told me the proposal being advanced is like paying for a mortgage and not even seeing the house yet. It is paying for a mortgage in advance.

Mr. Speaker, I rise today on an entirely different topic.

Mr. Speaker, I rise today to draw attention to Guam's guest to improve its relationship with the Federal Government through the establishment of the Commonwealth of Guam. On February

24 I introduced the Guam Commonwealth Act, H.R. 1056, which would create a commonwealth that would carry Guam into the next century and give Guam the tools to prosper economically in the global marketplace. Guam is confident of its future and Guam has achieved in recent years, through remarkable growth in its private sector, the self-sufficiency to make the new Commonwealth a viable political entity.

The people of Guam voted in plebiscites to improve their relationship with the United States by establishing a commonwealth based on mutual consent and that protects the right to self-determination for the indigenous people of Guam. It will ultimately be Congress' responsibility to respond to Guam's political aspirations. However, before Congress holds hearings on the draft Commonwealth Act, the administration should conclude its discussions with the Guam Commission on Self-Determination that have been ongoing for over a year. The result of these discussions would be useful to Congress in its deliberations on the many issues that the Commonwealth Act addresses.

And there is good reason to believe that these discussions will be helpful to the Commonwealth process. Last year, under the guidance of then-Governor, Joseph Ada, who chaired the Commission, the Guam Commission on Self—Determination had a significant breakthrough on mutual consent to the Commonwealth agreement—meaning, that any agreement between Guam and the United States cannot be changed without the mutual consent of both parties. With the recent elections on Guam, there is renewed optimism in the future. Gov. Carl Gutierrez and the newly reconstituted Commission, Consisting of Judge Alberto Lamorena, Former Lt. Gov. Rudy Sablan, Mayor Frank Lizama, Senator Hope Cristobal, Senator Mark Forbes, Senator Francis Santos, Attorney David Lujan, and Youth Congress Speaker Roy Respicio, bring to the table a team committed to Guam and to our island's future.

These Commonwealth discussions have been recently put on hold because of the announced resignation of the President's Special Representative, Mr. I. Michael Heyman in February of this year. I had hoped that the administration would have moved expeditiously to find a replacement for Mr. Heyman.

Recently, I have been given assurances that this appointment would be given priority in the White House with the strong support of Secretary Babbitt, and that the nominee may be going through the necessary background checks. While I certainly appreciate the efforts of the administration, I must also point out our frustration with the valuable time that has been lost in the past 65 days.

Therefore, I call on the administration to redouble its efforts to finalize the appointment of a special representative. We have made important progress in these talks. But we must be careful not to squander the opportunity that lies before us in resolving Guam's political status, and we must not lose the momentum that we once had.

The Guam Commission on Self-Determination and I are eager to see this process reach its conclusion. The people of Guam are ready to take their rightful place in the American community. We can only hope that the administration and the Congress share our commitment to improve the lives of the American citizens who live on our island.

□ 1845

The SPEAKER pro tempore (Mr. RADANOVICH). Under a previous order of the House, the gentleman from Missouri [Mr. TALENT] is recognized for 5 minutes.

[Mr. TALENT 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 gentlewoman from Texas [Ms. JACKSON-LEE] is recognized for 5 minutes.

[Ms. JACKSON-LEE addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.]

INTRODUCTION OF AGRICULTURE DISASTER ASSISTANCE BILL

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

Mr. FARR. Mr. Speaker, today, I am introducing a bill to provide disaster assistance to farmers who have no other access to disaster assistance. I am joined in this effort by my colleagues, Mr. DOOLITTLE, Ms. PELOSI, Mr. POMBO, Ms. ESHOO, Mr. HERGER, Mr. FAZIO, Mrs. SEASTRAND, Mr. RADANOVICH, Mr. CALVERT, Mr. BROWN of California, Mr. ROSE, and Mr. DOOLEY.

As you know, Mr. Speaker, the central coast and northern California have been racked with flooding. My own district around the Monterey Bay area has been the worst hit with more than $240 million in agriculture damage alone.

But whereas small businesses and individuals have recourse to private flood insurance, to FEMA emergency assistance, and to low-interest loans from the SBA, most of the agriculture in my district has access to none of this help.

Farmers who grow specialty crops—items like strawberries, artichokes, lettuce, and broccoli or flowers—are not eligible for Federal crop insurance. They are not eligible for FEMA assistance. They are not eligible for SBA loans.

This situation is inherently unfair. A businessman whose business is washed out can apply for emergency grants and loans. A farmer with the same investment cannot, simply because his business is agriculture.

Congress attempted to correct this hole in the safety net when in enacted the Non-Insured Assistance Program, or NAP. The purpose of NAP was to provide some assistance where none other was available. Unfortunately, even under this failsafe program, nearly 85 percent of affected farmers in my district are still not eligible for assistance.

The problem arises in three areas: the definition of family farm; the threshold on income that determines eligibility; and, the amount of planted area that must be affected.

In all these three cases, the criteria established looks reasonable on its face. But in real life, they deny access to aid to farmers who have suffered terrible crop losses.

For example, the farms in my district—like most other districts—are run like businesses. The product is produce. Farms that are held by and operated by a single family are considered family farms in the traditional sense. But the NAP definition is unclear on this point and implementation of programs that use this definition have erred on the side of not including these family farmers simply because not every member of the family works on the farm, even though the chief operating officer is a family member.

Another problem is that the NAP program disallows any farmer who has a gross income of $2 million. Many, many farmers have much more than this tied up in their farms. But after all is said and done, their net income is far, far lower than $2 million. But because the program looks at gross income and not net, these farmers are left uncovered.

Finally, there is confusion over how much land and crop must be affected before a farmer becomes eligible for assistance under NAP. As I understand it, 35 percent of the area must be affected by the disaster. But area is not clearly defined. Is it county? Is it acres? Is it statewide? Also, NAP requires that a producer lose 50 percent of his crop before he can be eligible for aid. But what if a farmer loses 100 percent of his first crop but not of the two or three others he would have planted later? Has he lost 100 percent of his crop or only 33? If the decision is that he has lost only 33 percent of his crop, he cannot receive aid under NAP, but again, without assistance, he will have no funds with which to rebuild his farm or plant the other crops.

Mr. Speaker, this is unfair. During times of emergency and disaster, this country has always risen to the occasion and provided relief to hurricane, flood, earthquake, drought, and fire victims, with one exception: farmers of specialty crops.

Well, the livelihood of a strawberry farmer who gets flooded out is just as disrupted as the livelihood of a restaurant owner who gets flooded out.

There shouldn't be a distinction between the two just because one happens to make his living off the land.

So today I and my colleagues are introducing legislation to correct this oversight. Very simply, this bill states that the Secretary of Agriculture shall be authorized to provide assistance from funds appropriated for disaster relief to farmers whose crops are otherwise not eligible for crop insurance coverage under existing department programs; and whose farm does not otherwise qualify for loans, grants, or disaster assistance from other Federal sources.

What does this mean? This means, under those emergency situations where no other Federal programs are available for aid, the Secretary of Agriculture may—and I emphasize may; he isn't required to do so—open up existing agriculture relief programs to farmers who have no other recourse to assistance. This bill does not authorize additional funds but allows the Secretary to use already authorized funds in existing programs.

Mr. Speaker, specialty crop farmers deserve no more than other farmers who suffer natural disasters. But they deserve no less, either. I thank my colleagues for joining me in introducing this bill and urge other Members of the House to support us in helping America's farmers.

UPDATE ON THE CONTRACT

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, you can see now after 12 weeks that this bipartisan House, under Republican leadership, has passed 9 out of 10 items in the Contract With America.

First the balanced budget amendment which only awaits one vote in the Senate.

Stop violent criminals. Here we have a law which changed the habeas corpus reform by making sure that there is finality to death sentences where we are dealing with violent criminals for which there is a first degree sentence.

Welfare reform. Here we are trying to make sure that able-bodied people will have every right and every incentive to be off welfare within 2 years by giving them job counseling, job training, job placement, and day care, if necessary, and also make sure that we do get healthy meals for our kids with WIC and with the school nutrition programs.

Under the Republican proposal which has been passed with a 4.5-percent increase over this year, that is higher than 3.1 percent recommended by the President and the 3.6 percent recommended by the Democrat minority. The fact is that with the 15-percent middleman eliminated by the Federal bureaucrats and the States taking over the program, we are going to have a 5-percent cap on administrative expense, and we will feed more children more meals.

We are going to have in the tax cuts for families a very important program. Here we have the tax bill historically passed last night. I might say that almost every single bill passed in the Contract With America; there has been bipartisan support, well over the 218 votes necessary, votes approximating 300 on almost all occasions.

In the tax credit bill, we are going to have $500 tax credit for each child in the family. New IRA deductions for health insurance, for first-time home purchases, and for retirement income. We repealed last night the 1993 tax increase on Social Security benefits over 5 years. We provide tax incentives for the purchase of long-term-care health insurance. We provide a 50-percent capital gains exclusion from taxes which will help investments, savings, and create new jobs. We will help small businesses be able to deduct more of the expenses of their business and, therefore, encourage more employment. We will provide a refundable tax credit for families of $5,000 for those families who adopt children, a $500 tax credit for families caring for a dependent elderly parent or grandparent. We will raise the earnings limit for senior citizens up to $30,000, up from the $11,280 we have today.

By working together we have passed almost every single item here in the Contract With America. The only item we have left to pass finally will be congressional term limits. While I supported all four bills, we needed 290 votes to pass it in the House. We had as much as 227.

Speaker GINGRICH has guaranteed that in the beginning session for the next session, 1997, he would make that bill No. 1, if we do not have another opportunity to vote on it again.

We have rolled back Government regulations. We have had commonsense legal reform. We want to make sure people have the legal right to redress their grievances in court, but we also want to make sure that frivolous, fraudulent, and inflated suits would not be encouraged in the courts of the United States.

We are also going to make sure that we have a strong national defense by making sure that our military are properly armed and properly trained, but our U.S. troops will not be under UN command, because we will be making sure that we take care of the United States first.

Now, what is going to happen in the post-100 days? We are going to work on health care reform. We are going to work on FDA reform. We are going to make sure the Food and Drug Administration moves the process along more quickly so that drugs that are life extending and those that are life saving are approved more quickly so we can help our constituents, create jobs and also help people live longer.

Going to work with Mrs. MORELLA, Mrs. LOWEY, and Ms. PELOSI on the women's health care initiatives, very important programs here in the Congress.

We are also going to work on a bill that I have, within 7 years, sunset Federal agencies to make sure that those agencies that have outlived their usefulness or are spending too much money or duplicate what we are doing in the States, that they are eliminated.

We also need to expand the investment tax credit and research and development tax credits to help our small businesses be able to make sure that they keep their employment going to keep their services going and to make sure the engine of America moves forward with new jobs, with expansion, and to make sure we have every family enjoy the American dream.

So the Contract With America is only the beginning. We see a bipartisan effort moving forward in this 104th Congress. We do not see Republicans or Democrats fighting. We do not see conservatives and liberals fighting. We see the end of gridlock. We see the end of finger pointing. We see an America moving forward together to help its people.

We will restore the confidence in the Congress because not only will we get more reforms which helps individuals and families and seniors, but we are going to make sure we have the kind of reforms in this Congress that will have gift ban reform, that we are going to make sure we have campaign reform. And we also are going to make sure we have pension reform. That was part of this last legislation to make sure that Congressmen in fact have the same pensions as other Federal workers.

So, Mr. Speaker, I thank you for the opportunity to give this recap and look forward to working with the American people and the Congress and Senate to make sure we have valuable legislation adopted in the next 100 days.

STUDENT LOANS

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

Mr. BROWN of Ohio. Mr. Speaker, Republicans have taken aim at middle-class families with proposals to cut student loans. They want to cut student loan programs to pay for tax cuts for the wealthy.

Student loans in this country today have made it possible for 4.5 million middle-class students to go to college. These Republican cuts will mean fewer students going to college and for those students that do go to college that are now receiving student loans, it will mean higher costs to them.

In my State of Ohio, the average debt per student on student loans will increase nearly $3,100.

Mr. Speaker, I wear a tie today from Lorraine County Community College in northeast Ohio. In the county which I live, in Lorraine County, 67 percent of

all Lorraine County Community College students are on some type of financial aid, nearly 5,000 students per quarter.

At a school like Lorraine County Community College, which is an absolute jewel for Lorraine County in terms of job training and people going back to school and getting more education and people going straight from high school onto LC to go to college, Lorraine County Community College has literally thousands of part-time students, hundreds and hundreds of single parents who are students, hundreds of people from a very diverse cross section of the community.

What these cuts to middle-class students mean, what these budget cuts mean on student loans is that many of these students that are now at Lorraine County Community College will be saddled with heavier and heavier debts as they are struggling to work part-time and go to school part-time and raise their children and some of them simply will give up.

□ 1900

These cuts to middle-class students are part of the Republican Contract on America.

Let me briefly discuss the winners and the losers in the Republican Contract on America. The winners are people like Rupert Murdoch. Rupert Murdoch got a $63 million tax break, Australian-born, American-naturalized-citizen Rupert Murdoch. Another winner is American billionaires who are the recipients of $3.6 billion, thanks to the Republican Contract on America, American billionaires who renounced their American citizenship and got this tax break. Other winners are people making $200,000 a year.

The Republicans have called middle class not what people in my district would term middle class. Those are other winners who get a major tax break under the Contract With America.

Another major winner is America''s largest corporations, which in the mid-1980's had enjoyed so many tax loopholes that many of them paid no Federal taxes. Ronald Reagan and the then Democratic Congress put on them an alternative minimum tax so those corporations at least paid some tax. That tax loophole has been recreated under the Republican Contract for America.

Mr. KINGSTON. Mr. Chairman, will the gentleman yield?

Mr. BROWN. I yield to the gentleman from Georgia.

Mr. KINGSTON. I was just hoping that in your list of winners you would include 87.5 percent of the American people who will benefit from this $500 per child tax credit. It is a pretty significant group in the population of the country that will benefit from the Contract With America, and I would hope my friend from Ohio would mention this large group of our citizens.

Mr. BROWN of Ohio. Let me answer that.

The fact is that, in spite of all the Republican charts, they have called people making $200,000 a year middle class. The tax cuts are mostly for them when you add in that one particular tax item plus the money for Rupert Murdoch plus the $3.6 billion that people renounced their citizenship plus the alternative minimum tax repeal.

Now, I want to make sure I have this right with the Rupert Murdoch situation. You have got an Australian billionaire who has come to the United States, gotten American citizenship so that he could buy a television network and so that he could buy a major book publishing house and cut book deals with American politicians. Then you have American billionaires who have renounced their citizenship so they can get $3.6 billion in tax breaks.

Perhaps if Rupert Murdoch is really, really smart, after he has become an American citizen and got this $65 million, he will be able to renounce his citizenship and get part of the $3.6 billion.

The fact is, this is ludicrous. Perhaps Mr. Murdoch and perhaps some of those American billionaires that have partaken of the $3.6 billion by renouncing their citizenship will come to Lorain, to my hometown with me, and explain to students at Lorain Community College why in fact their student loans are being cut, will explain to students at Tennyson Elementary in Sheffield Lake, OH, why school lunches are being cut, will explain in Elyria, OH, to young people who have had summer jobs in the past why there are no more summer jobs programs because of these Republican cuts.

It simply does not make sense. It is not fair. It is not right.

I ask, Mr. Speaker, that the House reconsider some of these measures that the Republican Contract With American is all about.

THE CONTRACT WITH AMERICA WILL BENEFIT THE MIDDLE CLASS

The SPEAKER pro tempore (Mr. RADANOVICH). Under a previous order of the House, the gentleman from Georgia [Mr. KINGSTON] is recognized for 5 minutes.

Mr. KINGSTON. Mr. Speaker, I wanted to comment, just a few comments on my friend who spoke previously in front of me.

I think that it is important that as we debate and talk about the situation in America today that we try and leave class envy and prejudice out of it. I know it just sounds so appealing to say everybody's billionaires and millionaires. I guess because you are successful you become guilty of overachievement; therefore, you should be overtaxed equally.

Maybe that is the Democrat mantra; but, as I was pointing out earlier, the distribution of the $500 per child tax credit—and you know what, Mr. Speaker, I am going to go ahead and move down to the easel because I was not intending to show this, but let us go ahead and make sure. All right.

You know, I know the Democrats do not like our charts, and there is reason they do not like our charts. They do not like the truth. When you are pushing propaganda, you do not like to have people stand up and say, well, here is a source that is a neutral source that comes from the Tax Foundation. It is not the Republican party. It is not NEWT GINGRICH's office. But that 87.5 percent of the people who benefit from this middle-class tax cut are people under $75,000 in income. That is pretty much middle class. You know, it is a very mainstream tax credit.

Now, here is on the capital gains tax. Most of the people who will be benefiting, this larger column, make under $50,000 a year. I hope that when we reconvene in May that we can get away from this class envy and this if you do well we are going to attack you because you have done something wrong along the way. I like to believe that people who are successful have done so usually by helping others, by selling a quality good or delivering a service that is needed in America today.

Now, let us talk about the Contract With America, which I know the press and a lot of folks on the other side of the aisle do not like. But the Contract With America, if you go back to when it was introduced in October, everyone said, well, this is cute, but it will never get passed, nobody is really interested in it, and the Republicans are the minority party and will not make a difference.

Well, that was in October. November, what happened? It was passed. And then for the first time in history the media started calling it Contract With America instead of Contract for America. That was a big step within the national liberal media.

Then, by December, what had happened? Instead of people saying, hey, the November elections are over with, ho hum, let's go home, they said this is really different, we are going to have some changes, we are going to have some fundamental changes in Washington, DC. These folks have a campaign promise that they are telling people put on your refrigerator door, call us, follow up, make sure that we follow through on our promise to you that we made on the campaign trail.

And now all the new freshmen, all the sophomore class, all the senior Republicans delivered. But, more importantly, Mr. Speaker, 70 percent of the items on the Contract With America passed with bipartisan support.

Democrats joined in. Why? Not because they are in love with NEWT GINGRICH but because their constituents wanted these items. This is what 60 to 70 to 80 percent of Americans want: smaller government, fewer regulations, more personal freedom, get the government off my back, lower my taxes. And that is what the Contract With America is all about.

When we reconvene, Mr. Speaker, we are going to tackle the budget. Now, the third largest item on the budget, the third largest expenditure, is interest on the national debt, interest paid to bondholders of our debt. In 2 years that interest alone will be more than our military or defense spending, which means you are paying more interest in the year 1997 on the national debt than you will for the Army, the Navy, the Marine Corps, the National Guard, the Air Force, and all of them combined.

We have got to do something about it, and it is a bipartisan problem. We got here by bipartisan action, and we have got to get out of it that way. When we pay so much interest on the national debt, your taxes go up, you have less money to put into education or health care, the interest rates go up.

Alan Greenspan, Chairman of the Federal Reserve, says it makes as much as a 2 percent increase in the interest rate on your home mortgage, on your automobile mortgage, and it is inflationary.

We have got to address this problem. It is not going to be easy, but it has got to be done across the board, it has got to be done in a fair manner, and I hope, Mr. Speaker, we can do it in a bipartisan manner.

Just to give you an idea, farm programs in the year 1986 had a spending level of $26 billion. Today, they are $10.6 billion. And yet agriculture is better than ever. We have a lot of food today, Mr. Speaker. If we can do that with agriculture, we can do it with the rest of our Nation's budget. I look forward to being a part of that process.

THE PIECES OF THE CONTRACT DO NOT FIT TOGETHER

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

Mr. SPRATT. Mr. Speaker, tomorrow the Republicans in the House will celebrate the completion or at least the passage through the House of their Contract With America.

I do not like to rain on anybody's parade, but I have to predict, as the parts of this contract which were passed separately are pieced together, I am afraid we are going to find that all the pieces do not fit. Particularly I think there is going to be a misfit when it comes to fitting together revenues and expenditures, the budget, and fulfilling the prediction of a balanced budget by the year 2002.

I say that because yesterday in the final act of this contract we adopted a bill called H.R. 1215, which will reduce the tax revenues that flow into the Government by $189 billion over the next 5 years and by $630 billion over the next 10 years.

I think it is fair to ask here in the Congress, out in the country, how do we do that? How do we cut taxes by $630 billion and increase defense spending as the contract seems to promise or at least hold defense spending constant and at the same time bring the budget into balance by the year 2002?

Well, one way the bill proposed yesterday and passed yesterday offers is to lower what we call the cap on discretionary spending, nonentitlement spending by $100 billion cumulatively over the next 5 years. Before the vote yesterday, the chairman of the Committee on the Budget, Mr. KASICH, sent to us an illustrative list of domestic spending cuts that totaled $100 billion showing how we could get $100 billion out of discretionary spending over the next 5 fiscal years. None of these cuts has been voted on yet, and it would be miraculous to me if half of them were ever approved.

But let's take the list that Mr. KASICH proposed at face value and note this about it. It very conveniently ignored or failed to note anything at all. It was silent on the issue of defense spending, and yet defense spending constitutes fully half of discretionary spending. Discretionary spending is right now about $545 billion. Defense spending is about $270 billion.

Mr. KASICH has said elsewhere that he would like to see defense spending frozen at its current level of about $270 billion a year. What I would like to do tonight is just explore the consequences of that. Let's put the other sphere on the first sphere, defense spending and discretionary spending, domestic discretionary spending together and see what happens.

If we combine the lower caps, that $100 billion lower cap, which are provided for by H.R. 1215 with a constant outlay stream of $270 billion for defense every year, an outlay freeze, we see from this first chart which I have here that we will need to make $41.4 billion in budgetary cuts, in nondefense discretionary programs in fiscal year 1996. And that begins, in effect, next month because that is when we begin the budget for fiscal 1996.

As you can see on this chart, these cuts in nondefense programs would have to rise to $66 billion in fiscal year 1998, and that constitutes a 23.5-percent cut below the current budget level of expenditure, 23.5 percent of student loans, 23.5 percent of Head Start, 23.5 percent of ag programs, job training, the Drug Enforcement Agency, the FBI and the Federal court system. Over the course of this year we would have to take off 23.5 percent and over the course of 5 fiscal years the cuts in nondefense spending required by holding defense spending constant at this year's level would add up to $187 billion, which is $87 billion more than the chairman of the Committee on the Budget spelled out in the illustrative list that he sent out to us yesterday.

There is a second chart I have here that depicts the same story, only in a different way. You can see from this chart, the blue line at the top is the proposed level of discretionary spending for domestic programs, nondefense programs, and President Clinton's budget. It runs from $260 to $280 billion, and it is roughly flat between $275 and $280 for 5 fiscal years.

But if we make these changes I am talking about it drops immediately from $260 to $220 and from $280 down to about $220, a $60 billion cut, very severe reductions.

The term defense freeze sounds sort of noncontroversial, benign, uneventful, but the purpose of these charts is to show you that it will trigger deep nondefense spending cuts because of the linkage between something we call budget authority and outlays. Budget authority are what we budget, what we pass around here every year. Outlays are what the government actually spends. And there is a difference between the two because we have to put up lots of budget authority, particularly for defense programs, and yet it takes the Department of Defense years in building a carrier to spend out all of that budget authority.

□ 1915

There is a difference between the two. Because discretionary outlay is a cap, an increase in defense budget authority requires a 1-to-1 decrease in the budget authority of nondispensed accounts. Anything you put in defense, you have to take out of nondefense.

An outlay freeze seems to say, well, we just hold things like they are. But a defense outlay freeze means anything but the status quo for a nondefense program.

The cuts I have just gone over assume a hard freeze, that is, a flat freeze on defense spending. It would not be adjusted up or down except for inflation.

The SPEAKER pro tempore (Mr. RADANOVICH). Under a previous order of the House, the gentleman from Ohio [Mr. HOKE] is recognized for 5 minutes.

[Mr. HOKE 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 gentlewoman from North Carolina [Mrs. CLAYTON] is recognized for 5 minutes.

[Mrs. CLAYTON addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.]

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

[Mr. MICA 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.]

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

[Mr. LIPINSKI 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 West Virginia [Mr. WISE] is recognized for 5 minutes.

[Mr. WISE 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 Minnesota [Mr. OBERSTAR] is recognized for 5 minutes.

[Mr. OBERSTAR addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

DORNAN TO ANNOUNCE PRESIDENTIAL BID

The SPEAKER pro tempore. Under the Speaker's announced policy of January 4, 1995, the gentleman from California [Mr. DORNAN] is recognized for 60 minutes as the designee of the majority leader.

Mr. DORNAN. Mr. Speaker, and I am particularly pleased that you are in the chair tonight, sir, because, given the change of events today, which enabled us to finish tomorrow's work this evening, thereby having no votes tomorrow, just our well-deserved Republican majority celebration for completing the 100 days of the Contract With America in only 93 days as of today, I decided that although I got this time, from the Speaker, to honor our Americans that died over the longest period of any sea battle in history, Guadalcanal was 7 months of land and sea battles, but the battle of Okinawa, which began on April 1, 1945, 50 years ago, and reached a crescendo today after a slow beginning that persisted for over 87 days, with one of our Members who has served on both sides of the aisle, BOB STUMP, a conservative Democrat, came here with me in our bicentennial year election, sworn in January 4, 1977, and after 6 years of seeing his party drift to the left, actually not 6 years, less than that, about half of that, he became a Republican, and now is the No. 2 Republican in seniority on the National Security Committee, formerly the Armed Services Committee.

BOB STUMP was a young 18-year-old sailor—he had joined at 16—in that battle of Okinawa, and he saw many sailors burned to death before his eyes in the fuel spread across the seas, watched some of the 34 ships that we lost sunk, and I will come back in May and do a full hour on the battle of Okinawa.

Tomorrow the largest battleship ever created, the Japanese *Yamamoto* was sunk with no survivors, almost 3,000 men. The Japanese this very day, BOB STUMP was just telling me in the cloakroom—he has already flown back to Arizona—the Japanese lost 477 planes on April 6, 50 years ago, a world record for any aerial conflict.

This is quite a battle. I would loved to have spent the whole hour on it.

But, Mr. Speaker, my good colleague from California, George, when I come back on May 1, I will be a declared Presidential candidate, one of nine.

I believe our Governor will declare during this month, Pete Wilson. I believe that BOB DOLE will start a trek back to Russell, KS, the most severely wounded Member in any war that serves in either the House or Senate. BOB DOLE declares Monday and starts back to be in Russell, KS, on Good Friday, the 50th anniversary of his crucifixion where his young body of 21 years of age was ripped for the rest of whatever life God gives him. I will start on Holy Thursday, declaring at the National Law Enforcement Memorial which is exactly like the Vietnam Wall, a memorial to those who gave their lives to protect our lives.

In the case of the police, or Law Enforcement Memorial, it will have names added every year till the end of our lives, Mr. Speaker. We added more than a dozen names just this year, I believe 14 or 15, and two of them were female officers who died in the line of duty. The Vietnam Wall has just about ended with changing names from missing in action or POW, the last one, Col. Charles Shelton who was lost on his 33d birthday, southeast Asia, a known POW for 5 years, he, just a few months ago, was declared presumptive finding of death.

There are no POW's left on the wall. Missing in action monthly are turned into killed in action. But the Police Memorial will be updated each year with the names of young men and women and some not so young. I found a Dornan on there who was killed in the line of duty as the chief of police in a small West Virginia town.

This living memorial is truly something to visit. It is very moving. And because crime is one of our No. 1 issues, I will start with my declaration on Thomas Jefferson's birthday, the founder of the oldest party in America, now the minority party in the House and the Senate, and when I think of Jefferson, I think of two things. I think of ''least government is the best government'' and I think of what is inscribed inside of that beautiful Jefferson Memorial across the reflecting pond with all of the beautiful Japanese cherry blossoms that were given to this Nation in 1912, such a living gift, when they were our friends and our allies through World War I.

But inside that Jefferson Memorial, up in the frieze area it says, ''I have sworn upon the altar of God eternal vigilance against every tyranny over the mind of man.''

This founder of the Democrat Party, it is a nice day to declare on the 13th, but I will be heading toward my principal day of declaration, which is Easter Sunday.

We take the train, my wife, and I, two sons-in-law, a daughter-in-law, all of our five grown children, two sons, three daughters, and nine grandchildren—it is going to be quite a gaggle—on the Amtrak train to Boston, be picked up by young Republicans on the morning of the 15th, and then we will go up to Exeter, NH, in front of the once hotel, now business building where the Republican Party was born.

Three cities claim this honor, Jackson, MI, Ripon, WI, but I think Exeter has the edge, at least on dates, Columbus Day, October 12, 1853.

Our party was born over a moral issue, slavery, taking people's lives, the fruits of their labors, enslaving them, taking away their freedom.

The abortion issue in this country is equally the moral issue of our day, because you don't just steal a person's months and years and the sweat of their brow. You take their life away. You snuff out their life. You crush their little skull in the womb. You flatline their brain waves. You snuff out that heartbeat. Every abortion stops a tiny little beating heart because that heart starts between day 18 and 20 and most women don't even know they are pregnant except a little feeling inside that your body is changing, that you have human life inside of you, a whole different genetic package, a different gender possibly, different hair color, eye color, different height, different bone structure, a total genetic package with a little heartbeat and by day 40 a brain wave.

This is an important issue. That is why I chose Exeter. Not only is it the birthplace of the Republican Party, but a birth born of a moral issue, slavery.

Then we are going across the State, it should not take more than an hour. We may stop in Manchester and say hello to some of the folks at one of the Nation's greatest newspapers, the Manchester Union Leader. Then we are going over to Nashua, to Nashua High School, in the gymnasium, to resurrect a memory that is certainly good for me and I hope will incline people to understand that I not only was conservative before it was cool, I was conservative by decades ahead of some of my worthy colleagues that are declared.

I will declare again at the Nashua High School gymnasium where Ronald Reagan, fair and square, beat George Bush in 1980, when he grabbed that microphone from Mr. Breen, who is now a newspaper editor over by the seacoast in Portsmouth, and mistakenly called him Mr. Green and said, ''I've paid for this microphone.''

There was only one Congressman there for Ronald Reagan, it was yours truly, Mr. Speaker, BOB DORNAN. I had a great Senator sitting there next to me, Paul Laxalt and on the other side, Bush, having served in this House from 1967 to 1971, had about 15 Congressman there, several Senators. He had the

rooting section, but Ronald Reagan carried the day.

I want to resurrect that memory for the press in New Hampshire and whoever else has any interest in my candidacy.

Then we will car caravan with young Republicans at the helm down to New York City, Easter Sunday, where I was born, in Harlem, 110th Street, April 3, 1933, the 30th day of Franklin Delano Roosevelt's 12-year-plus Presidency. We have graciously received 20 seats from one of the greatest cardinals in church history, Cardinal John Joseph O'Connor of New York. We are going to his Sunday Mass, that is my wife's birthday which makes it extra nice, Easter Sunday, and our 40th wedding anniversary.

We will stand, at a quiet moment that early moment that early afternoon, at the altar where my parents were married June 27, 1929, a few months before Black Tuesday and the crash. They did not come home from their honeymoon. My dad, a young 37-year-old New York businessman, said sell it all off, the first loss is the best loss. I've got more important things to do. I'm on my honeymoon.

They went as far as the Holy Land. My mom was 29. Irish folk got married earlier in those days. I married by wife on her 21st birthday, 13 days past my 22nd birthday.

We will renew our wedding vows. Then we will stay overnight, go out and declare again for anybody that is interested on Ellis Island, because I still haven't sorted out in my head the fair way to approach illegal immigration as opposed to legal immigration because this, as our Speaker describes it, is an unique civilization. The American civilization is composed of people from every continent on the Earth, from Australia to all of Eurasia, to our second largest continent Africa, to South America, from American Eskimo Native Americans to every part of the world, all the islands in the Pacific.

In my old part of my district that is ED ROYCE'S district now, we swore in 800 people a few weeks ago, and the largest group was Vietnamese-Americans. Then Mexican, about to become Mexican-Americans. Then Koreans, about to become Korean-Americans. And the list went on through about 38 different countries.

We are a melting pot of the world. If we cannot make the dream work, nobody can.

Then we are going over to the Statue of Liberty, a nice way to begin a Presidential race. Then I will come back here in Virginia, answer a few more press questions, do the regular routine that has become de riguer now, the Larry King Show. Face the Nation is going to give me my own half-hour for the first time in my life. I did Meet the Press way back in 1982. Maybe I will get a second shot at that.

Then I am joining a great group of American Republicans.

Mr. Speaker, BOB DOLE, PHIL GRAMM, DICK LUGAR, ARLEN SPECTER, four sitting Senators, one Congressman, two former Reagan appointees, Pat Buchanan and Alan Keyes, terrific guys, both great radio talk show hosts, great writers, great columnists, wonderful speakers, and a former Governor, Lamar Alexander of Tennessee; and a current Governor.

That is the field of nine. I don't think it is going to expand much. All of this field—I don't even want to exclude myself—I'll be vain enough to say, including me, we stand head and shoulders in character and integrity and in political skills, I believe, above the current occupant of the White House. This is an honor to go out on the road with them.

I see my pal, my friend, my colleague from the other big sunshine State and retirement State, Florida, in the well. As I recognize him, let me get in one piece of history first, then I am going to tell everybody why I am running for President.

□ 1930

Do you know, Mr. STEARNS of Florida, how many members of the Democratic Party in the House of Representatives have gone from this, the world's greatest parliament, the world's greatest deliberative body, right to the White House? The answer is zero.

Do you know how many Republicans have done it? Our minority leader from 1880. A highly decorated Civil War two-star general. James A. Garfield, not known outside of Ohio, won it on the 36th ballot in Chicago, and was shot on day 120. Would have saved him in a week and he would have been back on the job in two or three weeks today. No anesthesia to probe for the bullet. No X-ray to look for it.

After 80 days of suffering, took him to the New Jersey coast to get out of this hot city. He died on day 200. That is it for this House.

Now we have got lots of people who served here and went on to the Senate, to governorships or to a long gap, like Lincoln served 2 years, lost the Senate race in 1858 to Douglas, and then got elected President. His last immediate job was here in 1847 to 1848. That is the only man to make it from this House directly to the White House.

People say, ''DORNAN, when was that? 1880? Look at the odds you are against.''

Let's talk Senators. In the 1700s and 1800s not a single U.S. Senator ever went from the other body to the White House. In this entire century, and it is almost over, 95 years, I am speaking 206 years of history, two, 1 Democrat, John F. Kennedy, and 1 Republican, Warren Harding, a Senator who had been a newspaper publisher who was dead when he was five years younger than I am, died at age 57 in his third year in the White House. That is it. One Senator from each party. No Democrats. One James A. Garfield, Civil War general, who had been in the House about 18 years and was the minority leader. That is it.

Does that mean that Lamar Alexander has a lock on this or Pete Wilson? Not necessarily. Records are made to be broken. I am about to embark on a quest, a crusade that I think is going to be one of the most enjoyable years of my life, and as with most endeavors in life, only God literally knows the outcome.

Mr. STEARNS. If the gentleman would yield for just about 15 or 30 seconds.

Mr. DORNAN. I will yield to the gentleman from Florida [Mr. STEARNS].

Mr. STEARNS. Mr. Speaker, I came down just to say this is the 25th day of captivity for David Daliberti and William Barloon. I just want to mention this.

But before I say my piece here, I do want to let the gentlemen from California know how much I admire him. Frankly, I think you bring to the presidential debate something that is needed and that is a social conservativism that you have displayed. As you know, you and I voted many, many times in very difficult votes.

I think you are going to bring to the presidential debate items like prayer in school, which a lot of candidates will not talk about but that you have the courage to do. So I commend you for what you are doing; and I certainly, as you know, admire you.

But I wanted to point out to the Speaker that today marks the 25th day of captivity for 2 Americans held prisoner in Iraq. Their incarceration began on the 13th of March. They were tried and unfairly convicted on the 25th. The two men were sentenced to 8 years in prison simply because they made a wrong turn.

Mr. Speaker, we must continue to hold the two Americans in our minds and hearts. Twenty-five days is too long for any innocent American to be held in captivity, so I ask all Americans to recognize that this is the 25th day of their captivity.

Mr. DORNAN. Thank you for reminding us of that. Because if the audience on C–SPAN is 1.3 million going toward 1½ million, I mean dedicated people who have really come to know their government by watching C–SPAN, we can ask 1.3 million people right now to pray for these 2 fellow Americans to give them courage.

The worse part of their captivity is over: the slapping around, the torture, some beatings. Now comes the boredom and the drudgery.

DICK LUGAR, U.S. Senator, has gone out further than any of us calling for military action. People say, ''Well, isn't that your style, Mr. DORNAN?'' No, I am holding back my thunder because I think this is a crude bluff, and I think that diplomatically is probably the way to force this dictator's hand.

However, a friend of mine who is a great movie director, John Milleous, did ''Flight of the Intruder,'' did a movie with Brian Keith, I think it was

called ''The Wind and the Lion,'' about an American held captive in North Africa by one of the Berber leaders in Algiers or Morocco. Teddy Roosevelt was the President then, and he came out with a simple sentence. I believe the man's name was Porteralis, ''alive or rastuli,'' dead. That was the Arab chieftain or warlord. The American citizen was soon released, and it turned out he was a Greek citizen about to become an American, and he did become an American.

But we can speak softly and carry a big stick because you try to do these things quietly and deliberately at first, but if it came down to a standoff and months went by, this is a republic. Clinton is not a royal personage. Every American is worthy of full support and protection by his country as Mr. Clinton gets from the Secret Service.

And I will focus like a laser beam on getting these two men out with proper challenge if they are not out. It is their 25th day, so I hope everybody will pray for their safe release. I have seen their families on television shows, and they are suffering and worried about them.

Mr. Speaker, why am I running? Tomorrow night I will be the sponsor at the confirmation for the oldest of my nine grandchildren, Richard Cobban. Ricky and other young people have said to me, ''Why are you running?'' The first thing that pops into my mind is so simple it probably sounds flippant: Save America.

We have a financial crisis, $5 trillion of debt by this summer, and there is nothing any of us can do in this Chamber from either party or the U.S. Senate to stop that debt from creeping up to $6 trillion before we begin to turn it around. I believe it will take us 30 measured years of dedicated work to pay off that national debt.

The average American is coming close to owing $20,000, the newest baby, the oldest senior about to meet his maker. The average American family has $76,000 worth of debt put on their back by the U.S. Government.

One stunning figure is, if you break this down monthly, just the interest on the debt, and we must pay that interest every year on time if we are a noble superpower, every average family's debt of just the interest is $440 per month. How many people can afford to make a car payment that big?

So here is why I am running, and I have some thoughts written down. I would like to share them with this great electronic audience. Mr. Speaker, it looks like it is just the two of us and a few guests and our great Capitol Hill police in the gallery.

If you do not know already, Mr. Speaker, I am very different from most of my colleagues. I have found out in my 17th year here, 2 years out of office but staying in close contract, this is my 17th year in office. Nineteen years I have been around the Hill. I have noticed that I think differently.

I have a voracious appetite for history. It knows no bounds. I consider myself one of the three true historians in Congress. If anybody else is, they sure keep it to themselves. The others being two Ph.D.s, NEWTON GINGRICH of Georgia and PHILIP CRANE of Illinois.

To a large degree, this sense of history, my sense of history is one of the major reason why I serve in Congress and why I will always try to lengthen my stride in service to my country.

In my 62 years, I have witnessed American men and women continuously, consistently, virtuously lay down their lives and their good names of preserve our liberty only to see that these twin pillars, liberty and virtue, only to see them trampled upon by the selfishness and greed of others.

In America, this beautiful, bountiful land, through the grace of God, we, the people, are the repository of power. The rise and fall of our great Nation rests squarely on the shoulders of the men and women in this Chamber and in the U.S. Senate and the occupant of the White House. We are only to blame in failure, and only pure humility prods us to credit God for our success.

The fact is that no civilization can long endure the hollow sustenance of fallen men and women, and I do mean fallen, Mr. Speaker, in the Biblical sense. We cannot have liberty without virtue, and we cannot truly be virtuous without liberty. Men and women must be free to choose virtue, but they must unequivocally choose virtue to be free.

Benjamin Franklin said it best as he described his, our, newly formed Nation to a woman who demanded, ''Dr. Franklin, what have you given us?'' And he responded, coming out of these long, secret sessions, he said, ''Madam, we have a republic, if we can keep it.''

A key reason for my Presidential quest is to focus on this vision for America and to say that my conservative friends who only concern themselves with economic issues are providing a grave disservice to the American people invoking the near deity of the marketplace on such altars as the ''Baal Street Journal.''

Well, these false economic priests of conservatism are little different than the Keynesians who believe we can use government to spend our way to prosperity or, for that matter, hardened Marxists who view the world with the tunnel vision of economic models and class warfare. Lord knows, Mr. Speaker, we have heard a lot of class warfare rhetoric, some of it poisonous, in this Chamber over the last 2 weeks, if not longer.

The truth is that without a moral base and a virtuous people, the free market simply cannot function. Happiness is not necessarily a derivative of prosperity. True happiness, true happiness comes from a deep and an abiding faith in God and in living the way that God intended.

The tendency toward only an economic view of life has given rise in social conservative ranks to what some pretenders call a cultural free market. Frankly, I have never met a purebred conservative who believes in this cultural free market. Nor, by the way, have I ever met anyone who believes in a decadent society with a balanced budget.

The fact is that successful political leadership demands that some cultures be discouraged and other cultures encouraged. Any American, let alone any of us seeking the mantle of the Presidency who is unwilling to make these kinds of judgments, is hardly a productive citizen.

I disagree wholeheartedly with some of my econ-obessed friends who pontificate that the market punishes immorality, and, therefore, that is reason enough why no social issues should be discussed in this campaign or in this Chamber or in the Senate or in any other campaign by a participant who is a Republican.

Let me tell you something, Mr. Speaker, and I am going to carry this message sea to shining sea, the defenders of the second amendment will back me up with this little play on words. Markets don't punish immorality; people punish immorality. People also reward immorality, which is why we have arrived at the sorry state in which we find our society today.

What do we and what do our public institutions and our debased popular culture consist of today if not wholesale corruption?

□ 1945

Please do not misunderstand what I am saying nor mistake the motives of true social conservatives. For instance, I am not talking about the wrongheaded and extreme use of using tax dollars to fund even wholesome art or Christian art or anything like that. But I am saying, keeping within this art framework for just a moment, that responsible leaders find ourselves morally compelled to make absolute judgments on what passes for art in contemporary society when tax dollars go to fund the arts, and as long as tax dollars are used to fund the arts, I would not dare leave such an important stewardship up to the marketplace to make that point, especially when today that art sells so well.

Once again, the false gods of prosperity and economics do not produce good citizens or even virtuous ones. Actually the reverse is true.

Our Founding Fathers understood this moral imperative better than anyone. The countless allusions to God and the Creator in their writings, including our Declaration of Independence, the very words ring out with a firm reliance upon divine providence.

When I was a 19-year-old aviation cadet, I took a ball pen and pressed that, the reverse of embossing, into my little, cheap blue Air Force binder with a firm reliance upon divine providence, we mutually pledge our lives, our fortunes, and our sacred honor, and of those 56 signers, almost the whole bunch lost their homes, burned to the ground, and many of their lives and all

of their fortunes. But they kept their contract with God.

It is true, these grant men were religious men, but they understood first and foremost that a free people had to be a good people, and when a nation stopped being good, it became enslaved.

The best of the ancient Greek cultures, the best of the ancient Roman cultures, and there was more corruption and decay and brutality and slavery than there ever were of these golden moments in those two amazing civilizations, but they taught us that when a nation stopped being virtuous, eventually all of the citizens were enslaved.

I have long held to a motto of ''God, family, and country.'' To second the nomination of Vice President George Bush in the beautiful city of New Orleans in 1988 in August, I want for alliteration and changed ''God'' to ''faith'' to embrace all of the great religions of the world, and I changed ''country'' to broaden it out to ''freedom,'' because my dad had offered his life to die for France and almost did, and I offered my life during the Eisenhower years to defend Hungary. We pulled back on that one, and I volunteered later to fight to not only save Korea but Vietnam, Israel, other small countries around the world.

And I had been out of the cockpit too long to be recalled on active duty, but I went to Vietnam to witness these heroes and their excellent nurses, which is where women mainly served in that tragic decade of trying to keep half of Vietnam free as we kept half of Korea free. I watched those young heroes, by now most of them younger than I, and it is a debt that I want to pay back.

Truthfully, I would declare in front of the Vietnam Memorial, but I know what the liberal press would say. ''DORNAN is doing this to get at Clinton, DORNAN cannot let go of Vietnam, DORNAN is locked in the past.'' That is why I will pay a private visit there on the morning of April 13, I repeat, Jefferson's birthday, and then go to the National Law Enforcement Memorial for the first of several declarations during that 4-day period.

So I have long held to his motto, Mr. Speaker, ''Faith, family, and freedom.''

The world has always been divided along these lines, and it always will be as long as sin and transgression exist. The 20th century humanists' attempt to remove faith from civics has only deepened the divide which separates us as an American people.

We believe that a Creator grants unto us certain inalienable rights. Or do we not? Is that not how we were founded? In my view, Mr. Speaker, there was no greater political distinction to be made by any aspirant to the Presidency. We either believe as our Founders did, or we do not. Either God grants us our most fundamental of rights or man does, and if it is man, then man can also take away those rights in a heartbeat. But if it is God who grants us these rights, then our allegiance as Americans should be to his goodness and his mercy. I take the latter view.

This is why I believe that liberty and virtue are absolutely inseparable.

The second component of my motto, and this would be on the family escutcheon, if I were not from dirt-poor Irish farmer background. If I had one of these beautiful brand crests, it would be, ''Faith, family, and freedom,'' for this generation of Dornans.

Well, family, the traditional family, is what I mean in that battle cry. The family, along with a deep and abiding faith in God, is the basis for all successful civilizations. The family is the fundamental social, political, and economic unit of Western civilization, not the state, not the corporation, not the individual. Essential faith is first manifest, and because of this fact, the family is the most natural of settings from which to base all human actions including public policy.

It is a truism, Mr. Speaker, that no other success in life can compensate for failure in the home. Nothing. Nothing makes up for that. How many millionaires have we read about in fact and fiction that would pay millions of dollars to get back their son that committed suicide, their daughter who destroyed herself on drugs or turning herself over to the mean streets? Who can deny this, that anybody will squander his fortune to have the love back of a son or a daughter or to get back a wife in those early years that he just so easily let slip away from him because of irreconcilable so-called differences?

And yet an ever increasing march against the traditional family mounts up like an evil force in this United States of ours. The deadly combination of heavy taxes, levied by government at every level, county, State, Federal, and personal selfishness has both driven and led many women away from the home and encouraged men to justify their own familial neglect of wife and children. Onward to the new Mercedes, your income goes up, the wife's income goes down, and her struggle deepens.

To help save your families, we must substantially cut taxes, which means spending as well, of course, and we have got a good start on that, a small start in the last few days, and then we must do all we can within the proper bounds of governmental powers to encourage single-earner family wages so that mom can stay home when she chooses it with the children and so that dad can feel confident, or the mother, if she is the breadwinner, that he or she is able to provide sufficient income for the family, and in most cases because of that need for the mother to be with small growing children, I believe most families will opt for the traditional role.

And this does not mean in any way to cater to the almost vicious lie of flippant elitist media that traditional family people want to keep the mother home uneducated, pregnant, barefoot, and slaving over the spaghetti. No; no. It means an intelligent family sharing in both roles, the husband the breadearner when the children are tiny and need their mother around the clock, not quality care, an hour a day, not good day-care centers, which is a fruitless search for many families, but when those little children are 1, 2, 3, 4, 5, and 6, what the abortion industry says is viable, that little 1-year-old viable, that 1-week-old viable, 1-month-old, 1-year-old. A 4-year-old is not viable; out they go into traffic to be kidnaped or torn apart by the mean streets again.

At what point are we really able to go out on our own without being nurtured through an educational process? I heard a philosopher say every generation is only 18 years from the savagery of the jungle existence, survival of the fittest, the cruel, the brutal rule, because it takes 18 years to prepare most people, and most civilizations, to play a productive part in society.

To help our families, I repeat, we must substantially cut taxes and spending.

Now, the last thing we in Congress should do is to create something like a Department of the Family. That would ensure the family's demise. We have seen what other departments have done.

The third and final component of my chosen motto is freedom, freedom, interchangeable with liberty. We must once and for all, before it is too late, return to our political roots and change, Mr. Speaker, what I will call the mechanisms of power.

Let me explain that. The first American revolution was certainly incited by the abuse of power; a great movie out now about King George, mad as a hatter, but more importantly, it was also the direct result of a corrupt power structure.

Today, like then, 1776, Americans face not only the abuse of power but the very same corrupt power structure.

To think, as do some of my neo-conservative or country-club Republican friends of the big-tent school, that is a simple change of personnel or an obsessive focus on money, and they think that will solve the problems of the Federal Government. It is not only crudely elitist, but it is downright offensive.

I have many friends of our new second American Revolution which began to take hold on November 8 last year, but I would no more trust them with the current mechanisms of power than I would trust Mr. Clinton. It is the mechanisms of power that must be altered.

I am for a flat tax. I have been for about 27 years. I was trying to figure this out the other night.

But as large an improvement as a flat tax would be compared to our current system of tyranny which punishes hard work and investment and savings, the best solution is one where the IRS is completely abolished. Is anybody ready for this in a Presidential campaign? I do believe the Nation is.

Let us face reality. The IRS is a creature of a planned economy, a socialist state. It exists solely as the enforcer, the muscle, for a comparatively few elitists who desire to control our lives. Without it, how could these liberal elites extort so much of our money, your money?

Yes, the flat tax is an improvement. But with the enforcement mechanisms of the IRS would remain in place. I think the chairman of our Committee on Ways and Means, the gentleman from Texas [Mr. ARCHER], the man who actually took George Bush's seat in this Congress, is the right man, in the right place, at the right time.

A flat tax is a plateau for a few years to work out how we shut down the income tax.

I prefer the repeal of the income tax, Mr. Speaker, the repeal of the corporate income tax, the repeal of the capital gains tax, and any other tax which requires the IRS to enforce collections, and I would replace all of this with a national sales tax or a similar proposal.

What could be fairer? The rich would pay the bulk of the taxes while the poor, who spend very little in comparison, would pay little in comparison.

I mean, the Irish comedian, George Carlin, always talks about how the rich accumulate stuff, stuff, stuff, and more stuff. I know that urge. I am a collector, and my collections are little things, coins, stamps, little automobiles, model airplanes. There is still a lot of the little boy in me. But people who collect Duesenbergs and people who collect art, major art, and hide it out in their homes instead of donating it to museums where the poorest and humblest of us can share in that joy, they all do that when they are about a week from their death bed, some a little bit before. Andrew Carnegie, that dour Scot, is my ideal. He said it is more fun to give away money than to make it, and the perfect life is when you give the last dime of the money you earned during God's gift of life, you give away the last dime on your death bed.

We could even exempt the poor up to a certain income from some of this new tax structure.

That is what I mean by changing the mechanisms of power. I have got a lot of good people that I have met over my life that work at the IRS. They work hard, and we will get other good jobs for them that are not part of the elite structure.

Another example is abolishing the Federal Reserve and returning the power of money back to the elected representatives of the people. My pal Jack Kemp says, ''I would rather be Chairman of the Fed, Chairman of the Federal Reserve, than President of the United States.'' Jack has studied this and knows the raw power of our good friend and decent man, Alan Greenspan.

I do not know about you, Mr. Speaker, but I am sick and tired of having an unelected, little, tiny group of people come up to Congress every few months and tell the American people that our economy is growing too fast, and that one person, the chairman all by himself, has made the decision to stall the economy by artificially raising interest rates.

Why not speak the truth? Harmful inflation is not caused by a growing and productive economy. It is caused by government intervention in our money supply.

□ 2000

Now, I loathe violence. That is why I marched with Martin Luther King. I have to believe that our founders have taken a similar power structure with King George, out to the gallows, the full weight of the good citizens hard-earned money strapped to his ankles. They were not as patient as some court systems today.

I have introduced a bill on this subject, Mr. Speaker, H.R. 1130, to halt the absurd mechanism which allows advocacy groups, most of which are very left wing, to receive Federal grants and then turn around and lobby and protest the Federal Government to keep those tax dollars flowing.

Here is an example of what I mean about my legislation, changing again the mechanisms of power, H.R. 1130. The National Council for Senior Citizens, NCSC, it is a left wing, AFL–CIO front group, established in 1961 to help pass the Medicare bill, and they took in just $105,000 in membership dues for the most recent year of record, 1993. $105,000, less than the pay of one Congressman or woman. That same year they received over $68 million in Federal grants. National Council for Senior Citizens.

They are a tax exempt political lobby. They rate us in this Chamber. They rate our congressional votes. They hand-picked votes to give some of us a zero rating, and others a 100 percent rating who did their bidding. They endorse candidates. What in the world, Mr. Speaker, are tax dollars going to fund the political activities of this left wing lobby group for? Just one example. American Education Union, on the national level, is another public institution held embarrassingly captive by powerful special interest groups. Going all the way back to the George McGovern, Shirley MacLaine Convention, that is the way I remember it best, in 1972, the majority of delegates were members of the teachers union, and it has been that way at every Democratic Convention since.

Under the circumstances, it is absolutely a no-brainer to abolish the Department of Education. BOB DOLE has called for this, Lamar Alexander, a former Secretary of Education under George Bush, Bill Bennett after he left that position and went to another job in the White House. I think before this race is over, all nine of us will be calling for the abolition of the Department of Education, as are most people in the cloakroom that I have spoken to here on the Republican side of the aisle, the majority side.

Again, some of our friends who call themselves conservatives do more harm than good on this issue as they attempt to play to the very natural interests parents have in the education of their children. All we hear about from some so-called conservatives is how we need to train our children to compete in the world markets of the 21st century. More math, more science, more national goals and standards.

Well, whether we like to hear it or not, Mr. Speaker, it is just New World Order mumbo-jumbo in the main. All this talk of remaining competitive, the best, the best in the world, the best this, the best that, all of this for economic purposes only is global baloney. Global baloney. It is funny how we did not need this kind of political leadership to become the most industrious Nation that had ever existed. Only social engineers talk about America in macro terms as if they know better than parents what is best for their children and how to train them and how to educate them.

Education in America is not in jeopardy because parents continue to care. Education is in jeopardy because we have not yet taken the time to change the mechanisms of power, particularly at the Federal level, built up around our educational systems state to state.

Everyone knows that on the whole private schools and home schooling outperform public schools, and that given a choice, most parents, if they could, would send their children to private schools or keep them home, particularly given the violence and the guns and narcotics and the beepers and the knives that are carried in some urban schools. Not only urban schools.

But then why have we built up all of our mechanisms of power around a particular, bureaucracy laden public school system, and my younger brother is a proud and hard working public schoolteacher, why have we built up this system which locks up all of our children into an education of lesser distinction? Is it to help the poor? If so, then why not lift the poor up rather than pull a lot of middle class students down?

In changing the mechanisms of power, Mr. Speaker, surrounding education, we must remind ourselves that the essential state interests in education is liberty, and from liberty comes that virtue, and vice versa. It is not surprising that a socialist, welfare state mentality would ultimately pervert this state interest in education into some kind of class struggle, solvable by redistribution of the wealth enforced by the IRS?

I would rather abolish the welfare state before ever relinquishing over to some people who at their hearts are Marxists the real, real reason why we stress education in America. Abolish that Department of Education, repeal

compulsory attendance laws, and localize all schooling decisions, and our Nation will not only house the best educated and most literate people in the world; we will remain the freest people on Earth as well.

Lastly, changing the mechanisms of power, it is as they relate to defense and foreign policy. Mr. Speaker, we need such a spirited public debate on just what national interest means that I just yearn for this debate.

I am a staunch pro-lifer. Everyone round here knows that. But my allegiance to life does not stop in the womb. I care about every man and woman asked to give their life for our country. It is the very height of immorality to send American lives into harm's way without a crystal clear moral reason for doing so, and I released position papers on this on my birthday last Monday on all of the mistakes, some of them just through sheer stupidity and lack of understanding about why someone would dedicate their life to the profession of arms. Warriors hate war and do not want to have to lose any of the lives in their care.

This administration has been the worst in this century as far as not understanding why you do not put our Rangers and our Delta Force and our 10th Mountain Division in harm's way in the angry violent ridden streets of Mogadishu. We did accomplish saving 300,000 or more lives of women and children, but now they are left again to the non-tender mercies of the battling politicians there for power with their jeeps mounted with heavy weaponry, and we can only pray for them. The slaughter in Burundi this week, we could not extend a helping hand because Rwanda suffered severely, and we were unable to go in because of what Clinton showed in the way of absolute bankrupt leadership in Mogadishu. That is why the fathers and mothers of the two Medal of Honor winners who were given that medal posthumously because they tried to save Michael Durant's helicopter crew, and did succeed, in trading their lives for Michael Durant's life, getting him out of the helicopter, laying him down on the ground where God took over from there and kept him from being beaten to death as were his three other crewmen and the two rescuers. ''Greater love than this no man has, that he give up his lives for his colleagues and friends.'' God bless Gary Gordon and Randy Shugart and their wonderful families and their wives, and those two little beautiful children of Gary Gordon, Ian and Brittany. This is what you have to understand when you are the commander-in-chief, that every family, every life of every man and woman in the military is precious.

What is our national interest, Mr. Speaker? Is it bailing out multinational corporations who roll the dice in a foreign land and then lose? Should we shed blood over an economic commodity, even oil in the Middle East? We had a great debate here at the beginning of the 103d Congress. Everybody on both sides did themselves proud. But at least we fought it out here, whether or not we were going to lose 148 lives of our finest young men and several women to Scud missile attacks and plane crashes and a lady helicopter pilot flying into power lines in bad weather and desert sand. We lost the best, the very best this country has to offer, for a commodity. We should have debated that in depth.

Should we sacrifice lives in the names of foreign wars far removed from any direct threat to the United States? Sometimes, yes, we should help. I am not nearly as narrowly focused on this as my pal Pat Buchanan with his battle cry of ''America first.'' There are many cases where we should help because we can help and we can save many innocent people. But it has got to be debated in this Chamber and the Senate, except for emergencies when the President has to act swiftly. And that is why I put in legislation to kill the War Powers Act, to give back the White House its full emergency power to use force.

I cannot tell you how many American veterans I meet who will break down and actually shed tears at the mere mention of men and women having to don the blue beret or blue helmet of the United Nations to risk their lives in battle under foreign commanders. It is a atrocity that some of our leaders would allow this to happen. To think that Americans bled and died, lost life and limb 50 years ago in Okinawa, or going back to the birth of our country, our revolutionary struggle, the Civil War between the States, World War I, World War II, Korea, Vietnam, Panama, the Persian Gulf, Somalia, only to see American sovereignty go out the window with a stroke of a pen. No one would ever, of course, ever see that under the presidency of this congressman.

There is no more enduring term for any Nation than sovereignty, when properly respected and constructed. In fact, if the United States were a person and we asked it to define itself, it would tell us that without sovereignty, it would not exist. Those leaders who would push us to shed our borders and merge our lives, our economies, our cultures and our governments into one big wonderful world government, ask for something they will only receive answerable through much uprising and probably bloodshed.

We are historically, Mr. Speaker, a moral nation, and a moral nation fights only moral wars. And that is why we have a Department of Defense, not a department of offense, of attack, or of war any longer. We must immediately begin to develop world class antiballistic missile systems to defend the homeland. Then and only then do we have the moral authority to establish peace through strength.

Somebody said to me what would be a blue print for your campaign, BOB? And I said how about the Preamble to the Constitution? Just think of that preamble. ''We the people of the United States, in order to form a more perfect union,'' and there is the word union carved right into the Speaker's platform there along with liberty, ''in order to form a more perfect union, establish justice, ensure domestic tranquility, provide for the common defense, promote the general welfare,'' and welfare in those days meant the common wheel of the commercial marketplace, a chance to success and farm and have small businesses, and that is what welfare meant in any 1700's dictionary, ''and to ensure the blessings of liberty upon ourselves and our posterity,'' that is our children, ''do ordain and establish this Constitution of the United States of America.''

There it is, provide for the common defense, right in the preamble, for the whole beautiful Constitution. The original contract is the Constitution. The original contract is the Constitution. And we have past in this House, it is one of the items in this Contract with America, the 24 Republicans jumped ship and the majority of Democrats voted not to defend the American homeland. We will defend our troops overseas, a moral obligation. We will defend our allies overseas with a ballistic missile defense from rogue missiles, if nothing else, but we are not going to defend our homeland yet by the Contract.

We can truly call ourselves a free people once we change all of the mechanisms of power, once we reassert the 10th Amendment, which this Contract does very well, that 10th Amendment to the Constitution, return the power back to the states and local communities, once we reaffirm property rights, Mr. Speaker, as the most basic of all our inalienable rights, once we send a clear message that multinational profiteers do not run this country wherein they expect to be bailed out every time they make a bad investment. Our founders already fought that war, and now we must renew the struggle.

This is the real revolution. What happened last November 8th is just the beginning. I am committed to ceiling this new second American revolution through to the very end.

Let me conclude with a few personal observations about principal leadership, and I will return in a month to do that hour on the heroes of Okinawa. For the next 87 days, since April 1st, we will be living through the 50th anniversary of the greatest Naval conflict ever fought in history, with 49,000 American seamen blasted apart or drowned or burned to death, and 4,800 wounded. That rarely happens where the wounded are less than your killed.

But let me conclude by saying I have always felt that principal leadership means not asking anyone to do something you would not do yourself. For instance, as president, this means the unenviable task of perhaps one day

calling your nation to arms and sending men and now young women into harm's way. What an insult it would be to have a President who never wore the uniform, when he had the obligation and the opportunity, if he was healthy. That is God's call. 4–F is nobody's fault. Or being a woman that is not subject to the draft or being alive not during a voluntary period. I mean when the obligation was there and you were healthy, to ask a young man to go in your place, and then to aspire to the mantle of the presidency, asking young men and women to die for their country or for some other country that truly needs us when that person refused to do the same when it was asked of him.

□ 2015

We have got to sort this out. This job of president is different than any governorship. It is different than any other role in our Nation because of this aspect of commander in chief.

Further, I have always felt, Mr. Speaker, that principled leadership also means self-control. What right does any man have to claim authority to govern the lives of others when he cannot control his own behavior? Fortunately, I do not see that problem with any of the nine candidates that are out before the people at the end of this month. Principled leadership sifts through the pack rather quickly.

I serve here in the House of Representatives, in my 11th year from Orange County and a very exciting six years from West Los Angeles in the late 1970's and early 1980's. I serve here because I want to help restore America to its former greatness and its promised future.

My last sentence, Mr. Speaker, is this, America's future will remain in jeopardy as long as leaders lack the guts and convictions to move the revolution. The first 100 days was important, but the second, third and fourth and fifth 100 days will reveal the character of this body.

We either stand for liberty and virtue or we cower toward a seemingly safe island of moral isolation. I stand for liberty and for virtue.

ON THE EFFECTS OF THE CONTRACT WITH AMERICA

The SPEAKER pro tempore. Under the Speaker's announced policy of January 4, 1995, the gentleman from Vermont [Mr. SANDERS] is recognized for 60 minutes as the designee of the minority leader.

Mr. SANDERS. Mr. Speaker, let me begin by quoting from an article that appeared on the front page of the New York Times today and what the article does is analyzes a poll that was done by the New York Times and CBS News. Let me read, if I might, the second paragraph on the front page. It goes as follows:

''Despite the best efforts of the Republicans to publicize and promote what they call their legislative revolution, the survey,'' i.e., the poll that CBS and the New York Times did, ''suggested that much of the public remains largely disengaged. Only 38 percent said they had read or heard anything about the Contract With America, the Republican policy agenda that has driven the House in these first three months. Forty-seven percent said they were 'mostly disappointed' with the first 100 days compared with 39 percent who said they were pleased, and Mr. GINGRICH's personal ratings remain remarkably negative.''

What I find disturbing about the results of the poll is not really whether people cared about Mr. GINGRICH or how much they liked or disliked the Contract With America, what I find absolutely incredible is that only 38 percent of the people contacted said they had read or heard anything about the Contract With America.

Now, how can that be? Every single day on the front pages of newspapers there are discussions about the Contract With America. Turn on the television tonight, every news program will be discussing the Contract With America, and only 38 percent of the people had heard anything about the Contract With America. What is that about?

It suggests to me a very serious problem in America. And that is, by the tens of millions of people, ordinary Americans are tuning out and not paying attention, ignoring the politics that goes on in this country. This phenomenon was certainly reflected in the November 8 election that brought the Republicans power in both the House and the Senate. In that ''mandate,'' 38 percent of the American people voted; 62 percent of the people did not vote at all.

The question, therefore, is, what is going on with American democracy? And the deeper question that I think we must ask ourselves is, to what degree are we, in fact, today a democracy, when the vast majority of the people do not vote and when tens of millions of people are not aware of what is going on in our society and within our political system?

Mr. Speaker, I would argue that perhaps, and I am not quite sure of the full reasons as to why so many people have given up on the political process. I do not really know why when Sweden holds an election, 90 percent of the people come out to vote. France is now in the middle of a major campaign. The guess is that over 70 percent of the people will vote there. And in Canada, our neighbor, over 70 percent of the people vote. I cannot tell you why it is that so few people in America have faith in the political system and no longer participate, no longer vote, no longer care about what goes on here in Washington.

Here every day people are yelling and screaming, but it does not mean much to the folks out there. I would argue that perhaps the major reason is that the average American today is hurting very, very badly. The average American family is in a lot of pain. We are becoming a poorer nation. Our standard of living is in decline. The gap between the rich and the poor is growing wider. Millions of Americans are fearful that their jobs are going to go to Mexico. They are going to go to China. Millions of Americans are working longer hours. They are afraid to stand up on the job and protect their rights and fight for their rights because they are going to get fired.

And I think with people in pain they look to Washington, they turn on the television and they do not see the reality of their lives reflected in the debate that takes place here in Congress. They listen to corporate America on the media. They do not see that reality reflected. And they say, Hey, I am in trouble. I am in pain. My standard of living is going down. My kids are going to have a lower standard of living than I am. I cannot afford health care. My job is going to Mexico. Who is talking for me? Certainly not the politicians. Why should I pay any attention?

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

Mr. SANDERS. I yield to the gentleman from Oregon.

Mr. DEFAZIO. In response to that, I think that part of what breeds the disenfranchisement, the fact that people are turned off, is things like the bill that was passed here in the wee hours last night.

Funny thing, when Mr. GINGRICH had things in his contract and he wanted to trump it, we always stopped about the middle of the evening and then brought them up the next day so they could play it prime time. But two bills, term limits and now tax breaks, were voted on very, very late at night.

They are very cynically named. This was a bill to provide middle income tax relief. The gentleman touched on this very well. The only group of people who are consistently paying higher taxes in 1995 than in 1980 are middle-income wage earners, small business owners and people who work for hourly wages or a salary. They are paying more, because Congress jacked up the FICA tax, Social Security, dramatically, a regressive flat tax which is capped at $64,000 a year of income, and also what has happened with bracket creep and other things.

The wealthy, those who earn over 200,000 a year, they were yelling and screaming like stuck pigs over the Clinton budget which put them in the normal 39 percent tax bracket, which is down from the 70 percent tax bracket that they were in in 1979. And, of course, they only paid the 7 percent FICA tax on the first $60,000 of their earnings.

But then what people see, they tune in. And some of them would have voted for the new majority who were disenchanted with what had happened to them. They saw their standard of living declined, and they asked for help and reached out for change and help. And they brought in a group of people who turned back the clock to the point

where there is not going to be middle-class tax relief from the bill that was passed last evening, but what there will be is tremendous court relief.

They did not talk much about those parts of the bill on the floor. They talked about some of the smaller portions.

Just the repeal of the corporate alternative minimum tax, your eyes glaze over when you hear that. But it is so significant.

Mr. SANDERS. Let me jump in, if I might. Some Americans, Mr. Speaker, will remember, as I am sure my colleague from Oregon will remember, that in the early 1980s, after Reagan was elected president, there was an enormous scandal that many people were discussing in America.

What they were discussing is that at the time when middle-income people were paying more and more in Federal, State and local taxes, lo and behold, as a result of a variety of loopholes, it appeared that some of the largest and most profitable corporations in America, primarily owned by the wealthiest people in America, were paying what in taxes, Mr. DEFAZIO?

Mr. DEFAZIO. I brought the list, just so we could review a few. 1982 to 1985, 42 major corporations paying zero or less.

Mr. SANDERS. These must be small businesses with marginal profits, I would suspect. Is that the case?

Mr. DEFAZIO. Sure. Let us start at the top. American Telephone and Telegraph, profit, $24,898,000,000 from 1982 to 1985 in profits. And guess how much they paid in taxes?

Mr. SANDERS. Six billion dollars? I would guess that would be a fair——

Mr. DEFAZIO. They had 24 billion in profits. Would you think, if they were working for wages, they would have paid even a little more than 6 billion? They would have paid 28 percent? No, try one more time.

Mr. SANDERS. Well, 4 billion maybe 4. Am I wrong again?

Mr. DEFAZIO. A reasonable guess. But guess what? This is sort of a miracle. This is a miracle of supply side economics, which we brought back to America last night.

They did not pay any taxes. In fact, they not only did not pay any taxes, with 26,898,000,000 in profits. Guess what? Working stiffs in this country gave them a $635.5 million tax credit. They did not pay any taxes, and they got a credit for the taxes they did not pay. So their tax rate was minus 2.6 percent. Not bad.

Mr. SANDERS. We have been a little bit facetious about this. I think this deserves analysis and serious look.

What we are talking about is some of the largest corporations in America, owned by the wealthiest people in America, making huge profits and paying less in taxes, zero, than the average working stiff who makes $20,000 or $30,000 a year.

You mentioned AT&T. What other corporations were involved?

Mr. DEFAZIO. Let me list a couple of others. This is serious. And we do not want to be facetious. I will jump down to, say, the middle of the list. Xerox Corporation, over that three-year period, $670,300,000 in profits. And they received a tax credit of $42.8 million. So their tax rate was minus 6.5 percent.

Mr. SANDERS. That means——

Mr. DEFAZIO. One more. Let us pick a high tech company, Tectronics—they have not been doing so well lately but back then they did better—$163,300,000 profits over three years, and they got a $13,800,000 tax rebate for a negative 8.5 percent rate of taxation.

Just last night we repealed the law that did away with this scandal. That was part of the contract on America, to do away with the corporate alternative minimum tax. That means that an American who works in a factory job for 10 bucks an hour, if Mr. GINGRICH'S dream bill here goes through, the crown jewel, will pay absolutely, not in rates, but will pay absolutely more in taxes than some of these largest corporations in the world.

Mr. SANDERS. Let us back up a little bit.

What Mr. DEFAZIO is talking about is that in the early 1980s, if my memory is correct, a majority of the major corporations in America paid zero, not a penny in taxes, and, as Mr. DEFAZIO indicates, some of them actually got a credit. That is how absurd and corrupt the tax system was.

Well, both the Democrats and the Republicans became a little bit embarassed by this scandalous situation where we have working people making $20- or $30,000 a year paying more in taxes than all of AT&T and General Electric and the other large corporations.

□ 2030

So what they passed in 1986 was called the minimum corporate tax. Basically, what that said, it said large multinational corporations with all of your fancy lawyers and your tax accountants and everybody else, after you go through all of the tax loopholes and after you avoid paying taxes on this, that and the other thing and you end up with zero, well, guess what, we think you should at least pay a minimal tax, a minimal tax. And that is what was passed in 1986, mandating the corporations at least paid something.

What Mr. DEFAZIO is describing is that yesterday, as part of the Republican tax bill, that minimal corporate tax was repealed, and we are rapidly moving back to the time when the largest corporations in America will pay zero in taxes.

Now, some people will say, well, so what? So what does it matter that AT&T and General Electric and duPont and all these corporations do not pay anything in taxes? What does it have to do with me?

Mr. DEFAZIO, what does it have to do with the average working person?

Mr. DEFAZIO. Well, if it gets as bad as it did in the 1980', working people will pay taxes in order to give tax credits to corporations that did not pay any taxes at all, which they then passed through to their shareholders who are also hiring the same accountants to avoid taxes and now will be allowed with the new 14-percent tax bracket for capital gains or 18 percent established by the Republican bill, will be able to pay a lower rate of taxes than someone earning $25,000 or $30,000 a year through the capital gains loophole.

So what we are doing is asking people who are struggling to make ends meet, people who are struggling to figure out desperately some way to save a few bucks for their kids' education or just for their clothes are going to be asked to send money to the Federal Government so it can be handed back to large, profitable corporations so they can distribute it to shareholders who will not pay very much tax on it.

Mr. SANDERS. What it also means, it seems to me, is that if the major corporations in America are paying nothing in taxes there will be less money available for Federal aid to education, Federal aid for environmental protection, Federal aid for the handicapped, Federal aid for Head Start, and so forth and so on. So, in essence, what will happen is the tax burden will be passed on back to the State and local level.

Now, I do not know about Oregon. I am not familiar with Oregon's local tax situation. But in my State of Vermont we are highly dependent for education and municipal services on the property tax, which is an extremely regressive tax.

To the degree that the Federal Government cuts back on Federal aid to education because corporations are not paying any taxes, who is going to make up the difference? In the State of Vermont it will be family farmers, it will be senior citizens, it will be working people who are not making a lot of money who will have to pay higher and higher property taxes, higher and higher State taxes because the AT&T's and the GE's primarily owned by wealthy people are not paying their fair share of taxes.

Mr. DEFAZIO. If I can interject again. Another interesting historical note, in 1960 the corporations in America paid about 20 percent of the tax bill. This year, before the Republicans repealed the corporate alternative minimum tax, the corporations will pay about 10 percent of the tax bill in this country.

So someone else has had to pick up the slack. And guess what? It is not the people who earn over $200,000 a year who just got also some very generous tax breaks last night; it is average working families.

There was some move on the part of the Republican Party, and I have got to give credit to the 106 Republicans who signed a letter to the Speaker saying they could not go home with a

straight face and say they were providing middle-income tax relief when it went up to $200,000 a year, and they asked to take it down to $100,000 a year.

Well, I cannot go home with a straight face to Oregon and talk about $100,000 as middle income, but if we were talking $30,000, $40,000 a year, that would be in the ball park. And those people are being asked to pick up the additional share of the burden or finding that the programs on which they depend, that is people who have incomes at that level and who are retired now, Medicare, are being cut back, seniors with even lower incomes, Medicaid is being cut back, younger people with kids who are growing up are finding that Pell grants and other things are going to be cut back, both in the rescission bill earlier passed in this House by Mr. GINGRICH and in the budget which Mr. KASICH will put forward shortly.

So not only are we asking the middle-income people to pay more, the few programs from which they and their families have been able to benefit and the few sorts of things they had to depend upon are being gutted. I mean, it is a very bitter reality.

So I can understand why a lot of these people are turned off to politics and not voting. But I mean my solution is they should all get out and vote. Because the people who earned over $200,000 a year who got these very generous tax breaks last night probably voted at a rate of 90 percent, and the people in the $30,000 tax bracket who are going to end up picking up the tab probably voted at the rate of 37 percent.

Mr. SANDERS. Let me jump in and just pick up on that point. Let's talk for a moment about something which, amazingly enough, I do not know how it happened, but the Contract With America just ignored or I missed it, it must have been by accident, and that is the role of money in politics and campaign finance reform.

Now, I find it extremely interesting that within the last several months, and, by the way, as the only independent in the Congress I will say the same things about the Democratic Party here, but within the last couple of months after the Republican victory huge amounts of corporate money has been flowing into the Republican National Committee, campaign contributions.

Several months ago, as you will recall, the Republicans had a fundraiser, and on one night, one night, they raised $11 million from some of the wealthiest people in America and large corporations.

Furthermore, at about the same time, Speaker GINGRICH attended a fundraiser in order to raise money for a conservative television network. And the deductions to that fundraiser, by the way, were tax deductible. Interestingly enough, that fundraiser cost a mere $50,000 a plate, $50,000 a plate. My understanding is that extra coffee was served free of charge, and that included gratuities. In fact, I would have loved to have been the waiter getting a 15 percent tip on that. But $50,000 a plate. Huge amount of money.

Mr. DEFAZIO, it would seem to me that there is a direct correlation between this huge amount of corporate money and money from the wealthy flowing into the Republican party and what happened yesterday. Do you see that relationship?

Mr. DEFAZIO. Well, not only what happened in the tax bill yesterday, certainly. More than 50 percent of the individual benefits in this tax bill will go to people earning over $100,000 a year. And, of course, the corporate benefits will not go to small businesses. They are going to go to these largest corporations, again those who are subject to the alternative minimum tax.

I do not know any small businesses in my district who have to pay the alternative minimum tax, but the large corporations, multinational corporations certainly do. So that is one thing.

But there was something else going on yesterday, and I don't want to get too far afield, but we were marking up over about a 30-hour period in the Committee on Transportation and Infrastructure a revision of the Clean Water Act, and I will say also that the corporate payoff was going on there, too. Because we saw amendment after amendment offered on the Republican side to remove restrictions from industry to allow direct discharge of toxics into the Great Lakes and other bodies of water in this country, to reduce the list of chemicals restricted from direct discharge into our drinking water from 70,000 to 5. That was an amendment.

These amendments, I saw after the Great Lakes were removed from Federal control, the Great Lakes bordering some 10 States and a foreign nation have been removed from Federal control for toxic discharge because that was an undue burden. It has now become a voluntary program.

I saw some paper company and other lobbyists hugging and jumping up and down outside. They had just won this tremendous victory. You can bet that they have been writing checks.

Then we saw, one of the most outrageous things I have seen, I have been around a while, this is my ninth year in Congress, but I have never seen anything so blatant as what I saw a couple of weeks ago when a number of new Republican freshmen members were quoted as saying they are telling lobbyists if they did not contribute to their campaigns or contributed to their opponents, they had better make up for that. I mean, this is the most blatant squeezing of corporate America I have ever seen. It is unbelievable.

Mr. SANDERS. Now, I have not witnessed this with my own eyes, but I have read and I have heard from other Members that the lobbyists themselves are now writing the legislation and giving it to Members to present. Have you heard that?

Mr. DEFAZIO. Well, there were amendments in the Committee on Transportation and Infrastructure yesterday being presented which favored polluters over public interests which could not be satisfactorily explained by the Republicans offering them on the other side. And at one point I was tempted to say why don't we just bring the lobbyist up to the dais, they can at least explain it, and then we will go forward with the vote.

You know, clean water. I mean, there were things like allowing industries to discharge whatever they wanted into municipal sewers and requiring the local taxpayers to pick up the tab. No more pretreatment requirements for toxics or extraordinarily difficult things that are difficult to deal with.

I am not saying the Clean Water Act is perfect the way it is, but a reading by an impartial person of what went through that committee yesterday will say, whoa, are we going back to 1955 when the Cuyahoga River was flammable? Are we going back to the days in Oregon when the Willamette River was an open sewer?

And the unfunded mandates, we offered an amendment to say that, you know, the bill should identify unfunded mandates because what this does substantially is move burdens from industry to public taxpayers and people who pay sewer bills and people who pay property taxes and bonds for municipal sewer systems.

Of course, the Republicans would not let an unfunded mandate provision through that related to private interests. It is okay that these large corporations who are also contributing to the Republican party can now just dump their stuff in the river and then it is up to the people in the local city to try and clean it up.

Mr. SANDERS. We have been trying to understand in this discussion not just the outrageous nature of the recent Republican tax plan in which half of the benefits go to people earning $100,000, 25 percent of the benefits go to those people earning $200,000 a year or more, where the largest, the wealthiest 1 percent of earners get more benefits than the bottom 60 percent.

All of that is important, but it takes place within the context and I think helps us understand why so many people out there shrug their shoulders and say why should I vote, why should I participate. It does not really matter, the game is rigged, the people who have the money call the shots. Nobody cares about me. I am just a plain working person.

Mr. DEFAZIO. If I could interject a story at that point. I, in my first term went to stand with some men and women who were on strike at a lumber mill in my district. I stood there with them and caused some disruption and dismay by the management and ownership of this very large company, and I was asked by a reporter how can you do

this? You are dealing with one of the most powerful corporations in America, privately held, one of the 500 richest men in America.

I said, you know, on election day he gets one vote and all these people get one vote each, and that is the thing. People have to come back to the ballot box. They do not have to be a Democrat or a Republican. They can be an Independent, I mean nonaffiliated. They can form a third party. It does not matter. This country is not going to be healed until we get turnouts in the 70s, 80s, 90s. I do not think I will ever live to see the day when we get close to 100 percent.

Mr. SANDERS. We should ask ourselves why it is in the Scandinavian countries, many of the European countries turnouts are 70, 80, 90 percent; and we just had an election in which 38 percent of the people came out to vote. That turnout is directly related to what we have been talking about in terms of huge tax breaks for large corporations and wealthy people and cutbacks that will be coming in Medicaid, Medicare, student loans for those young people who today are having a hard time getting into college, WIC, Head Start, you name it. Every program that every working person, elderly person and kid in this country needs is on the chopping block.

What is going on, and Mr. DEFAZIO stated it well, if you have only 38 percent of the people who are voting and if the vast majority of low income and working people do not vote, those people are invisible.

□ 2045

You don't have any health insurance, so what? Who cares? Your pain is not reflected on the floor of this House.

You can't afford to send your kid to college? So what? No one is going to pay attention to you unless you make your concerns known by getting involved politically.

What goes on is that the vast majority of poor people and working people don't vote. Therefore, they are politically invisible. But there are some people who understand the political system very well. It is not just that the upper income people vote in very high percentages, but they contribute huge amounts of money to political campaigns. If a corporation like Amway or some other large corporation contributes hundreds and hundreds of thousands of dollars to the Republican Party, don't you think that maybe the leadership of the Republican Party is going to sit down and listen to their concerns? If wealthy people contribute thousands and thousands of dollars to the party of their choice, they have enormous power in shaping the agenda.

The gentleman from Oregon [Mr. DEFAZIO] was suggesting that on his subcommittee, lobbyists paid a major role in writing the legislation. That is what is going on. The only way to change that situation is when working people and low-income people say, ''Wait a minute. This country belongs to all of us, not just the wealthy and the powerful.'' One person-one vote. It is not how much you contribute. It is not a $10,000 contribution gives me power. That is not what it is supposed to be about. One person-one vote.

I absolutely agree with the gentleman from Oregon [Mr. DEFAZIO] that we are not going to change the priorities and the agenda of the Congress so that it begins to pay attention to ordinary Americans, working people, unless we make radical changes in who participates, who votes.

If you are not happy with what is going on, you can ignore everything and not vote. The people who own America are delighted. That is exactly what they want. They want you to think that politics is a joke, that it is irrelevant. They don't think it is irrelevant. They contribute huge amounts of money. They help determine the agenda. So if you want to have some input, you have got to participate politically, you have got to vote, you have got to get involved.

Mr. DEFAZIO. If the gentleman would yield, I am going to have to leave shortly, I would just like to change the subject for a moment but it bears on the whole discussion, again, why people are so cynical about what is going on in Washington. It goes to the subject that we have spent some time on, on the floor earlier this year, which is the bailout of Mexico.

There is an article, a very interesting article from yesterday's Los Angeles Times. It says it more succinctly than I could.

Thus far, the United States has put up $20 billion of our taxpayer dollars through a rather secretive fund controlled by the Federal Reserve and the Treasury and Mexico has spent slightly more than $4 billion of the funds. There is some discussion, we heard certainly from Speaker GINGRICH and Majority Leader DOLE in the Senate who were avid supporters of the Mexico bailout who are not trying to sort of cover that up, but they were there, they signed on with the administration, the President and Robert Rubin. They were all together. This is again why people are cynical because they saw a Democratic President and a newly elected House Speaker and a newly elected majority leader, both Republicans, in the House and the Senate signing on to the same $40 billion bailout of Mexico.

Here is what the Los Angeles Times says about the first $4 billion of our money that has gone to this bailout:

> Much of the money never left New York. It was paid out by the Federal Reserve in New York, where it was used to redeem the high profit bonds held primarily by major U.S. institutions, Wall Street speculators, and wealthy Mexicans who bought the securities largely through non-taxable offshore corporations according to investment sources and market analysts.

So here it is. We are supposedly saving our neighbors to the south in a gesture of good will and the money changes hands from our tax deposits with the Treasury and the Federal Reserve in New York directly into the bank vaults of the speculators and the wealthy investment banks in New York City. This kind of outrage is again part of what brings people to cynicism. At the same time as that is going on, we see in yesterday's Washington Post a little headline saying power to boost dollar doubted. Dollar hits a record low 3 days in row against the Japanese yen. We are basically heading to one dollar and one yen the way we are going here and the United States cannot do anything about it.

Why? In great part because we are too involved in attempting to prop up the failing government of Mexico and the crashing peso and as soon as we became associated dollar with peso like a Eurocurrency, the dollar started plummeting. This is a good part of the problem.

Mr. SANDERS. If the gentleman will yield, I am very glad he raised this issue because that in fact is the issue I wanted to get to next. When we talk about why people are cynical about the political process, the gentleman is absolutely right in suggesting that this multi, multibillion-dollar bailout of Mexico is precisely the reason why people shrug their shoulders and they say, ''Government doesn't represent me.''

Let's start off with a couple of facts. You made the right point. Who is supporting the bailout? We have presumably 2 political parties, right? And theoretically they are supposed to be really different, big basic philosophical differences.

Well, you have President Clinton and some of the leadership of the Democratic Party are supporting the bailout. One would therefore expect that the opposition in terms of the Republican Party would obviously be strongly opposed, right? That is what one might expect. But lo and behold, surprise of all surprises, there is the gentleman from Georgia [Mr. GINGRICH] and the leadership of the Republican Party supporting the bailout. The truth of the matter is there are a number of people in the Democratic party, the gentleman from Oregon [Mr. DEFAZIO], the gentlewoman from Ohio [Ms. KAPTUR], some of the leaders there, a number of people in the Republican Party, the gentleman from Texas [Mr. STOCKMAN], the gentleman from California [Mr. ROHRABACHER], and others in strong opposition as well.

When we talk about cynicism, this really gets to me. We are talking about a bailout which puts at risk the possibility of losing over $20 billion of American taxpayers' money at the same time as we have a $200 billion deficit and at the same time we are cutting back on a wide variety of programs for the most vulnerable people in this country.

I ask the gentleman from Oregon [Mr. DEFAZIO], help me out, what was the vote on the floor of the House after that vigorous debate on this bailout?

Do you recall what the vote was after we discussed that issue thoroughly on the House?

Mr. DEFAZIO. We attempted to bring a privileged resolution to the floor of the House about 2 months ago on this issue, the secretive rendering of funds from the Federal Reserve and from the Treasury accounts that are supposed to be there to prop up the dollar, and obviously they are not there to prop up the dollar anymore. My recollection is we were able to get 14 Republican votes who were all threatened with punishment the next day if they ever would vote that way again, and obviously we got more votes on the Democratic side. I do not recall the total number.

Mr. SANDERS. I was being a little facetious. There has never been a vote of course on the floor of the House.

Mr. DEFAZIO. That was on an extraordinary attempt to bring the issue to the floor.

Mr. SANDERS. Right.

Mr. DEFAZIO. No, we have not been allowed to directly bring the issue to the floor, although there was some language attached to today's Department of Defense conference report.

Mr. SANDERS. In other words, the point is that with over $20 billion of taxpayers' money at risk, Speaker GINGRICH and the Republican leadership in conjunction with a number of Democrats are prepared not to allow that debate on the floor of the House, not to allow that vote.

Mr. DEFAZIO. The gentleman is on the Banking Committee. Has there been a vote in the Banking Committee on this issue?

Mr. SANDERS. There certainly has not. I have introduced legislation which would not allow any more funding from the Exchange Stabilization Fund to go to the bailout of Mexico without the appropriation and the authority of a vote from the Congress. But we have not been able to get that legislation on the floor of the House.

When we talk about cynicism, let's talk a little bit about Mexico, let's talk a little bit about NAFTA, and I know that my friend from Oregon has introduced legislation to repeal NAFTA.

What really gets to me is that a year and a half ago when there was a vigorous debate on the floor of the House, we had the Clinton administration fighting terribly hard for the NAFTA agreement, we had the leadership of the Republican Party fighting very, very hard for the NAFTA agreement, we had virtually every multinational corporation in America telling us just what a wonderful thing NAFTA would be for American workers and Mexican workers. We had the corporate media, every, underlined, every major newspaper in the America editorialized in favor of NAFTA. That is the Wall Street Journal, the New York Times, the Boston Globe, the L.A. Times, you name it. All of the establishment and the money interests said, ''Boy, NAFTA is just what we need.''

I ask the gentleman from Oregon [Mr. DEFAZIO] why he introduced legislation to repeal NAFTA. Has it not been quite the success that these corporate giants and pundits told us it would be?

Mr. DEFAZIO. It is kind of extraordinary, actually. What we are doing now with the Mexico bailout is we are paying billions of dollars to speculators to attempt to prop up the Mexico peso and the Mexican economy because we are linked to them through the NAFTA agreement. We are losing jobs to Mexico, where wages and the standard of living have been reduced by 35 percent because of the devaluation of the peso.

The situation is the workers of Mexico, everyone outside of Mexico's 24 billionaires and a few hundred millionaires, have seen their standard of living go down by 35 percent in direct relation to NAFTA. Thousands at this point, over 20,000 American workers have been approved for unemployment benefits because their job loss was linked directly to the movement of their plant to Mexico.

We ran in January the first trade deficit with Mexico in 12 years, $863 million, 1-month trade deficit with Mexico, and it is predicted by next year we will run a $20 billion trade deficit with Mexico, which means, according to the Commerce Department, for every billion dollars of net on our trade balance, we create 20,000 jobs in America.

So if we run a $20 billion trade deficit with Mexico, we are ceding $400,000 to Mexico and we are paying $40 billion to do it. Absurdity on absurdity on mistake.

Mr. SANDERS. If the gentleman will yield, a year and a half ago we were told by every major corporate newspaper in America that NAFTA was a good deal. The multinational corporations put big ads in the newspapers saying, NAFTA is a good deal. Working people and their unions fought back against NAFTA. Environmentalists understood the terrible environmental impact that NAFTA would have. Consumer groups fought against NAFTA. But we could not defeat the enormous amount of power and money that was arrayed against us.

Since NAFTA has gone into effect, the figures that I have seen indicate that we have lost some 50,000 American jobs.

As the gentleman from Oregon [Mr. DEFAZIO] just indicated, at a time that historically we have always had a trade surplus with Mexico, we have a terrible trade deficit internationally, but we have always had a surplus with Mexico, for the first time now, we are running a significant trade deficit.

The gentleman is right, in January the deficit was $800 million in 1 month, and it is predicted that the trade deficit will mushroom and grow. The standard of living of Mexican workers is plummeting with the devaluation of the peso.

And now, atop of all of that, American workers who have lost their jobs because of NAFTA are being asked to bail out American speculators and billionaires in Mexico because the peso was devalued and the L.A. Times appropriately I think correctly indicates that most of our bailout money is going back to Wall Street and to wealthy Mexicans.

□ 2100

Mr. SANDERS. Now, on top of all of that, if that is not enough for you, during the debate over NAFTA, some of us were concerned that we were merging our economies with an authoritarian and corrupt government.

Mr. DEFAZIO, maybe you want to share with the public, and I have some of the information here, what has recently taken place in Mexico that I have a feeling some people may have known before the NAFTA debate. What about Mr. Salinas' brother? Where is that gentleman sitting right now? Former President Salinas' brother is now in jail.

Mr. DEFAZIO. He is in jail, that is right.

Mr. SANDERS. Now, this gentleman, Mr. Salinas, was President of that country. His brother is in jail under arrest for masterminding a political assassination. Furthermore, the former Deputy Attorney General of their country who had the responsibility for cracking down on the very serious drug problem in Mexico and the exporting of drugs from Mexico to the United States. Surprise, surprise. Where is that Deputy Attorney General today, who was their drug czar? My goodness, he is also in jail. He is in jail under charge that he has taken millions and millions of dollars from the Mexican drug cartel.

Mr. DEFAZIO. Do not forget that, of course, President Salinas said his brother was innocent and went back and staged I think it was a 12-hour hunger strike and then fled the country for the United States he was so convinced of his brother's innocence. He is of course somewhere at large in the United States living off of his Swiss back accounts and his investments in New York City and his many residences there.

Mr. SANDERS. So at a time when we continue to have a large deficit, when the government is cutting back in my State, in your State, Oregon, cold weather up there, not as cold as Vermont but it gets cold. We are talking about in the House cutting back and completely eliminating the fuel assistance program by which 5 million low income people get help in the wintertime to heat their homes, including 2 million senior citizens. We cannot afford to do that.

We are cutting back on student loans and grants upon which millions of working class kids depend in order to get their college education. We are cutting back on the WIC program, wonderful program for pregnant women, low income children. We are cutting back, now the debate will begin on the new

budget, major cutbacks in medicare, major cutbacks in medicaid. There are those who seriously want to dismantle the social security system. We just don't have enough money for all of that, but lo and behold, isn't it amazing, just amazing that we have $20 billion to put at risk bailing out another country, in this case Mexico. Much of that money will accrue and go back to investors who originally made a whole lot of money in Mexico lost money and now they want Uncle Same to bail them out.

Mr. DEFAZIO. According to the Los Angeles Times, many of those folks are high stakes American investors who had invested the money through nontaxable offshore corporations, so we cannot even say that they have made a gain or they are going to recoup their funds and pay taxes on it. These are Americans who are not paying taxes on 50 percent interest earnings on failed Mexican bonds which have been propped up by working people's tax dollars, which brings up one other outrageous thing that went on this week. The issue of the billionaires, people amassing huge fortunes in the United States which if they were to dispose of it they would have to pay a capital gains tax on, 28 percent, that is about what your average working person pays or, under the new Republican proposal, 19 percent.

But in any case, a number of those people, and again this is a collusion between the Republicans and Democrats, unfortunately, from my own party between the administration. The Treasury has a list of how many of these billionaires and cente-millionaires have in the last year renounced their United States citizenship which means that they can expatriate all of their holdings and profits to Ireland or Costa Rica and not pay any United States taxes.

On the floor of the House we attempted several times to pass a simple piece of legislation that would have said before these people can expatriate the money, since they enjoyed the fruits of American citizenship, since they made that money as American citizens, since they made that money by employing Americans and selling things to Americans in this country, that they should pay a fair rate of taxes, at least the capital gains rate of 28 percent, before they expatriated and before they renounced their American citizenship. Amazingly, somehow the Republican party stood up and defended that practice.

It is alleged two former members of Congress have been hired by an investment firm out of New York to lobby this issue. How is it that you cannot get 435 people elected to represent citizens of the United States of America and the interests of the citizens of the United States of America to vote to say that people who want to renounce their citizenship, traitors to the United States of America, should not pay some minimum tax before they expatriate the hundreds of millions or billions they made operating businesses in this country? That was one of the most outrageous and one of the lowest points, there are many low points in the first hundred days, but that has to be the lowest because that kind of goes to the heart of everything.

Who do we really work for here? Do we work for the American people? Apparently a majority, since we were voted down by a large majority of Republicans and a few Democrats several times on this issue feel that multi-millionaires and billionaires no matter what their citizenship have a stronger call on their vote than the people who elected them. I think if people who elected the new majority knew about that vote they would be outraged.

Mr. SANDERS. We are running out of time and I just want to conclude by saying this. This is a great country and we are great people, but I think as Mr. DEFAZIO just demonstrated, time after time what ends up happening in Congress is that the decisions that are made here are not made in the best interests of ordinary Americans. They are made in the best interests of the wealthy and the powerful, very often the same people who contribute heavily to the political parties, who hire lobbyists and lawyers to get things done for those people.

In this country, we can, if we put our minds to it and we work together, develop a new trade policy which stops corporate America from taking our jobs to Third World countries. We can have those corporations reinvest in America and create decent paying jobs for our people. That is not utopian.

In this country, we can raise the minimum wage. We do not need to continue a minimum wage of $4.25 an hour in which people work long, hard hours and they end up deeper in poverty. We can raise the minimum wage to $5.50 an hour. We have legislation in to do that.

In this country, if you had a Congress that represented ordinary people rather than the big money interests, we could joint he rest of the industrialized world and pass a national health care system that guarantees health care to all people. We do not need to continue the most expensive, wasteful bureaucratic system in the world in which 40 million Americans today have no health insurance.

We can do better. we can have a tax system which is fair, which asks those people who have the money to pay their fair share of taxes so we can lower taxes for middle income and working people.

We can put more money into education so that we do not have so many of our kids dropping out of high school and have a situation where so many of our kids cannot afford to go to college. Throughout Europe, in Canada, in Scandinavia, their governments put more money into higher education, enabling their working people to be better able to send their kids to college.

Those things are not magical. They are not utopian. They can happen, but they will not happen until the American people wake up and reclaim this government from the millionaires and the billionaires who today control it.

Mr. DEFAZIO. In conclusion, I could say we can do all those things and, in my opinion, with the proper priorities, we can balance the Federal budget.

Mr. SANDERS. I would certainly agree. Let me conclude by thanking my friend, Mr. DEFAZIO from Oregon, for joining me.

I think we depart by saying to the American people, please stand up, fight back and take back your country.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. GEPHARDT (at the request of Mr. FROST), for Thursday, April 6 and Friday, April 7, on account of death of his father.

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. FARR) to revise and extend their remarks and include extraneous material:)

Mr. WYNN, for 5 minutes, today.

Mr. DEFAZIO, for 5 minutes, today.

Mr. KLINK, for 5 minutes, today.

Mrs. SCHROEDER, for 5 minutes, today.

Ms. JACKSON-LEE, for 5 minutes, today.

Mr. OBERSTAR, for 5 minutes, today.

Ms. SLAUGHTER, for 5 minutes, today.

Mrs. CLAYTON, for 5 minutes, today.

Mr. OWENS, for 5 minutes, today.

Mr. BROWN of Ohio, for 5 minutes, today.

Mr. LIPINSKI, for 5 minutes, today.

Mr. UNDERWOOD, for 5 minutes, today.

Mr. WISE, for 5 minutes, today.

Mr. SPRATT, for 5 minutes, today.

Mr. FARR, for 5 minutes, today.

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

Mr. MICA, for 5 minutes, today.

Mr. KINGSTON, for 5 minutes, today.

Mr. FOX of Pennsylvania, for 5 minutes, today.

Mr. HOKE, for 5 minutes, today.

EXTENSION OF REMARKS

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

Mr. MOAKLEY, during debate of House Resolution 130.

Mr. THOMAS and to include extraneous material on H.R. 483 in the Committee of the Whole today.

ADJOURNMENT

Mr. SANDERS. Mr. Speaker, I move that the house do now adjourn.

The motion was agreed to; accordingly (at 9 o'clock and 10 minutes p.m.), under its previous order, the House adjourned until tomorrow, Friday, April 7, 1995, at 11 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the speaker's table and referred as follows:

689. A letter from the Under Secretary for Personnel and Readiness, Department of Defense, transmitting the Department's defense manpower requirements report for fiscal year 1996, pursuant to 10 U.S.C. 115(b)(3)(A); to the Committee on National Security.

690. A letter from the Chairman, National Research Council, transmitting a study of live-fire survivability testing of the F–22 aircraft; to the Committee on National Security.

691. A letter from the Administrator, National Aeronautics and Space Administration, 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.

692. A letter from the President, Overseas Private Investment Corporation, transmitting the fiscal year 1994 management report, pursuant to Public Law 101–576, section 306(a) (104 Stat. 2854); to the Committee on Government Reform and Oversight.

693. A letter from the Acting Assistant Secretary for Civil Works, Department of the Army, transmitting a report recommending authorization of a deep-draft navigation project at Salem River, NJ; to the Committee on Transportation and Infrastructure.

694. A letter from the Senior Vice President, Tennessee Valley Authority; transmitting a copy of the Authority's statistical summaries as part of their annual report for the fiscal year beginning October 1, 1993, and ending September 30, 1994, pursuant to 16 U.S.C. 831h(a); to the Committee on Transportation and Infrastructure.

695. A letter from the Chairman of the Board, Pension Benefit Guaranty Corporation, transmitting the 20th annual report of the Corporation, which includes the Corporation's financial statement as of September 30, 1994, pursuant to 29 U.S.C. 1308; jointly, to the Committees on Economic and Educational Opportunities and Ways and Means.

696. A letter from the Chief Counsel for Advocacy, U.S. Small Business Administration, transmitting an analysis of the impact on small businesses of the ''Contract With America Tax Reform Act of 1995''; jointly, to the Committees on Small Business and Ways and Means.

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. BLILEY; Committee on Commerce, H.R. 483. A bill to amend title XVIII of the Social Security Act to permit Medicare select policies to be offered in all States, and for other purposes; with an amendment (Rept. 104–79 Pt. 2). Referred to the Committee of the Whole House on the State of the Union.

Mr. ROBERTS: Committee on Agriculture H.R. 618. A bill to extend the authorization for appropriations for the Commodity Futures Trading Commission through fiscal year 2000 (Rept. 104–104). 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. THOMAS:

H.R. 1421. A bill to provide that references in the statutes of the United States to any committee or officer of the House of Representatives the name or jurisdiction of which was changed as part of the reorganization of the House of Representatives at the beginning of the 104th Congress shall be treated as referring to the currently applicable committee or officer of the House of Representatives; considered and passed.

By Mr. BARRETT of Wisconsin:

H.R. 1422. A bill to amend the Job Training Partnership Act to provide for employment and training assistance for certain individuals employed at a facility at which the employer has made a public announcement that a substantial member of employees will be terminated or laid off from employment; to the Committee on Economic and Educational Opportunities.

By Mr. BROWN of California (for himself and Mr. TORRICELLI):

H.R. 1423. A bill to amend the Federal Meat Inspection Act and the Poultry Products Inspection Act to provide for improved public health and food safety through the reduction in meat and poultry of harmful substances that present a threat to public health, and for other purposes; to the Committee on Agriculture.

By Mr. STEARNS:

H.R. 1424. A bill to provide Americans with secure, portable health insurance benefits through tax credits, medical savings accounts, and greater choice of health insurance plans without mandates, and for other purposes; to the Committee on Ways and Means, and in addition to the Committee on Commerce, the Judiciary, and 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. BURTON of Indiana (for himself, Mr. TORRICELLI, Mr. COX, Mr. FLAKE, Mr. ROHRABACHER, Mr. MORAN, Mr. KING, Mr. JEFFERSON, Mr. HUNTER, Mr. REYNOLDS, Mr. DIAZ-BALART, Mr. CONDIT, Mr. FIELDS of Texas, Mr. TOWNS, Mr. DOOLITTLE, Mr. ABERCROMBIE, Mr. POMBO, Mr. PETERSON of Minnesota, Mr. CUNNINGHAM, Mr. LIPINSKI, Mr. CRANE, Mr. HERGER, Mrs. WALDHOLTZ, Mr. BARTLETT of Maryland, Mr. FUNDERBURK, Mr. HASTINGS of Washington, Mr. JONES, Mr. CALVERT, Mr. STOCKMAN, Mr. PETE GEREN of Texas, and Mr. WILSON):

H.R. 1425. A bill to suspend United States development assistance for India unless the President certifies to the Congress that the Government of India has taken certain steps to prevent human rights abuses in India; to the Committee on International Relations.

By Mr. CLAY (for himself and Mr. WILLIAMS):

H.R. 1426. A bill to assist States and secondary and postsecondary schools to develop, implement, and improve school-to-work opportunities systems so that all students have an opportunity to acquire the knowledge and skills needed to meet challenging State academic standards and industry-based skill standards and to prepare for postsecondary education, further learning, and a wide range of opportunities in high-skill, high-wage careers, and for other purposes; to the Committee on Economic and Educational Opportunities.

By Mr. COSTELLO:

H.R. 1427. A bill to amend the Federal Election Campaign Act of 1971 to control House of Representatives campaign spending, and for other purposes; to the Committee on House Oversight.

By Mr. DE LA GARZA:

H.R. 1428. A bill entitled, ''The North American Border Stations Improvements Act''; to the Committee on Transportation and Infrastructure.

By Mr. EVANS (for himself, Mr. GUTIERREZ, Mr. KENNEDY of Massachusetts, Mr. WILLIAMS, and Mr. DOYLE):

H.R. 1429. A bill to amend title 38, United States Code, to provide for the organization and administration of the Readjustment Counseling Service of the Department of Veterans Affairs, to improve eligibility for veterans' readjustment counseling and related counseling, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. FARR (for himself, Mr. DOOLITTLE, Ms. PELOSI, Mr. POMBO, Ms. ESHOO, Mr. HERGER, Mr. FAZIO of California, Mrs. SEASTRAND, Mr. BROWN of California, Mr. RADANOVICH, Mr. ROSE, Mr. DOOLEY, and Mr. CALVERT):

H.R. 1430. A bill to authorize the Secretary of Agriculture to provide emergency financial assistance to agricultural producers who suffer severe crop losses in federally designated disaster areas; to the Committee on Agriculture.

By Mr. FLANAGAN:

H.R. 1431. A bill to amend the Internal Revenue Code of 1986 to repeal the 30-percent of gross income limitations applicable to regulated investment companies; to the Committee on Ways and Means.

By Mr. GREENWOOD:

H.R. 1432. A bill to amend the Federal Election Campaign Act of 1971 to eliminate multicandidate political committees, and for other purposes; to the Committee on House Oversight.

By Mr. HAYES (for himself and Mr. BALLENGER):

H.R. 1433. A bill to require the Secretary of Labor to establish a program under which employers may consult with State officials respecting compliance with occupational safety and health requirements; to the Committee on Economic and Educational Opportunities.

By Mr. HOUGHTON (for himself and Mr. LEVIN):

H.R. 1434. A bill to establish a commission to review the dispute settlement reports of the World Trade Organization, and for other purposes; to the Committee on Ways and Means, 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. LEWIS of Georgia:

H.R. 1435. A bill to amend the Internal Revenue Code of 1986 to permit the use of certain agricultural byproducts in wine production; to the Committee on Ways and Means.

By Mr. LIPINSKI (for himself and Mr. MINETA) (both by request):

H.R. 1436. A bill to amend subtitle IV of title 49, United States Code, to eliminate unnecessary regulation of transportation industries, to streamline regulation of rail carriers, to sunset the Interstate Commerce Commission, and for other purposes; to the Committee on Transportation and Infrastructure.

H.R. 1437. A bill to authorize appropriations for the National Railroad Passenger Corporation, and for other purposes; to the Committee on Transportation and Infrastructure.

By Ms. LOWEY (for herself, Ms. DELAURO, Mr. GEJDENSON, Mrs. KENNELLY, Mr. BONIOR, Mr. YATES, Mr. MILLER of California. Mr. FRANK of Massachusetts, Mr. ACKERMAN, Mr. ENGEL, Mr. MANTON, Mr. SERRANO, Ms. ESHOO, Mr. FILNER, Ms. PELOSI, Ms. WOOLSEY, Ms. FURSE, Mr. REED, Mr. TORRES, Ms. HARMAN, Ms. NORTON, Mr. PALLONE, Mr. MCDERMOTT, Mr. TOWNS, Mr. WAXMAN, Ms. WATERS, Mr. DICKS Mr. VENTO, Mr. WYNN, Mr. GONZALEZ, Ms. VELAZQUEZ, Mr. JOHNSTON of Florida, Mr. MARTINEZ, Mr. MARKEY, Mr. BERMAN, Mr. HINCHEY, Mr. ROMERO-BARCELO, and Mr. FALEOMAVAEGA):

H.R. 1438. A bill to amend the Federal Water Pollution Control Act to provide special funding to States for implementation of national estuary conservation and management plans, and for other purposes; to the Committee on Transportation and Infrastructure, and in addition to the Committee on Resources, 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. METCALF:

H.R. 1439. A bill to amend the National Forest Management Act of 1976 to require the Timber Sale Program conducted by the Forest Service on National Forest System lands to be financed only by receipts from the sale of timber under the program; to the Committee on Agriculture, and in addition to the Committee on Resources, 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. MINETA (by request):

H.R. 1440. A bill to amend title 49, United States Code, to simplify and improve the organization of the Department of Transportation, and for other purposes; to the Committee on Transportation and Infrastructure.

H.R. 1441. A bill to provide for the transfer of operating responsibility for air traffic services currently provided by the Federal Aviation Administration on behalf of the United States to separate corporate entity, in order to provide for more efficient operation and development of these transportation services and related assets, and for other purposes; to the Committee on Transportation and Infrastructure, and in addition to the Committees on Ways and Means, and the Budget, 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. MINGE (for himself, Mrs. MEYERS of Kansas, Mr. DEFAZIO, and Mrs. FOWLER):

H.R. 1442. A bill to amend the Internal Revenue Code of 1986 to allow individuals to designate any portion of their income tax overpayments, and to make other contributions, for deficit reduction; to the Committee on Ways and Means.

By Mr. MOORHEAD (for himself, Mr. SENSENBRENNER, Mr. COBLE, Mr. GOODLATTE, Mr. BONO, Mr. GALLEGLY, and Mr. CANADY):

H.R. 1443. A bill to amend chapter 44 of title 28, United States Code, to provide for arbitration in all U.S. district courts, and for other purposes; to the Committee on the Judiciary.

By Mr. MARKEY (for himself, Mr. BROWN of California, Mrs. JOHNSON of Connecticut, Mr. PALLONE, Mrs. KENNELLY, Mr. DELLUMS, Mr. FRANK of Massachusetts, Mr. OLVER, and Mr. STUDDS):

H.R. 1444. A bill to amend the Solid Waste Disposal Act to require a refund value for certain beverage containers, and to provide resources for State pollution prevention and recycling programs, and for other programs; to the Committee on Commerce.

By Mr. MOORHEAD (for himself, Mrs. SCHROEDER, Mr. COBLE, and Mr. CANADY):

H.R. 1445. A bill to amend rule 30 of the Federal Rules of Civil Procedure to restore the stenographic preference for depositions; to the Committee on the Judiciary.

By Mr. MOORHEAD:

H.R. 1446. A bill to amend the Revised Statutes of the United States to promote equity and fairness in lawsuits brought against State and local law enforcement officers; to the Committee on the Judiciary.

By Mr. NEAL (for himself, Mr. BLUTE, Mr. KENNEDY of Rhode Island, and Mr. REED):

H.R. 1447. A bill to revise the boundaries of the Blackstone River Valley National Heritage Corridor in Massachusetts and Rhode Island, and for other purposes; to the Committee on Resources.

By Ms. PRYCE (for herself, Mr. SOLOMON, and Mr. BURTON of Indiana):

H.R. 1448. A bill to amend the Indian Child Welfare Act of 1978 to require that determinations regarding status as an Indian child and as a member of an Indian tribe be prospective from the date of birth of the child and of tribal membership of the member, and for other purposes; to the Committee on Resources.

By Mr. ROBERTS (for himself and Mrs. MEYERS of Kansas):

H.R. 1449. A bill to provide for the establishment of the Tallgrass Prairie National Preserve in Kansas, and for other purposes; to the Committee on Resources.

By Mr. ROEMER (for himself, Mr. KLUG, and Mr. CHRYSLER):

H.R. 1450. A bill to eliminate certain activities from the functions performed by the National Weather Service, and for other purposes; to the Committee on Science.

By Mr. ROHRABACHER (for himself and Mr. HAMILTON):

H.R. 1451. A bill to provide authority for the extension of nondiscriminatory (most-favored-nation) trade treatment to Cambodia; to the Committee on Ways and Means.

By Mr. ROSE (for himself, Mr. CLAY, Mr. LIPINSKI, Mrs. MINK of Hawaii, Mr. PICKETT, Mr. RAHALL, Mr. SANDERS, Mr. QUILLEN, and Mr. EMERSON):

H.R. 1452. A bill to amend the Harmonized Tariff Schedule of the United States to clarify that certain footwear assembled in beneficiary countries is excluded from duty-free treatment, and for other purposes; to the Committee on Ways and Means.

By Mr. SOLOMON:

H.R. 1453. A bill to amend the Internal Revenue Code of 1986 to deny tax-exempt status to organizations which promote the legalization of certain drugs; to the Committee on Ways and Means.

By Mr. STARK:

H.R. 1454. A bill to require the Federal Trade Commission to issue a trade regulation rule which requires the release of prescriptions for contact lenses; to the Committee on Commerce.

By Mr. STARK (for himself, Mr. HANSEN, Mr. DURBIN, Mr. COYNE, Ms. PELOSI, Mr. LEWIS of Georgia, Mr. LIPINSKI, Mr. MORAN, Mr. OBERSTAR, Mrs. COLLINS of Illinois, and Mr. EVANS):

H.R. 1455. A bill to amend the Internal Revenue Code of 1986 to increase the tax on tobacco products, and for other purposes; to the Committee on Ways and Means.

By Mr. STARK (for himself, Mr. WAXMAN, and Mr. MCDERMOTT):

H.R. 1456. A bill to amend title XVIII of the Social Security Act to provide expanded coverage of mental health and substance abuse treatment services under the Medicare Program; to the Committee on Ways and Means, 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. STARK (for himself and Mr. KLECZKA):

H.R. 1457. A bill to amend the Internal Revenue Code of 1986 and the Social Security Act to provide tax benefits with respect to long-term care insurance contracts that satisfy certain requirements; to the Committee on Ways and Means, 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. STUMP (for himself, Mr. MONTGOMERY, Mr. BURTON of Indiana, Mr. PARKER, Mr. TRAFICANT, and Mr. BILIRAKIS):

H.R. 1458. A bill to provide for the award of the Purple Heart to persons held as prisoners of war before April 25, 1962, on the same basis as persons held as prisoners of war after that date; to the Committee on National Security.

By Mr. THOMPSON (for himself, Mr. HILLIARD, Mr. JEFFERSON, Mr. MONTGOMERY, Ms. JACKSON-LEE, Mr. FIELDS of Louisiana, and Ms. EDDIE BERNICE JOHNSON of Texas):

H.R. 1459. A bill to increase the supply of minority scientists and help meet the research and development needs of the public and private sectors of the United States; to the Committee on Science.

By Mr. TORRICELLI (for himself, Mr. GILMAN, Mr. LANTOS, Mr. GEJDENSON, Mr. SOLOMON, Mr. ACKERMAN, Mr. ROHRABACHER, Mr. FALEOMAVAEGA, Mr. BROWN of Ohio, Mr. DEUTSCH, and Ms. PELOSI):

H.R. 1460. A bill to amend the Taiwan Relations Act to permit visits to the United States by the elected leaders of the people of Taiwan or their elected representatives; to the Committee on International Relations.

By Mr. UPTON (for himself and Mr. BROWN of Ohio):

H.R. 1461. A bill to amend the Public Health Service Act to eliminate the incentives that lead to increased prices and utilization of clinical laboratory diagnostic testing services and other ancillary health services; to the Committee on Commerce.

By Mr. WAXMAN (for himself, Mr. UPTON, Mr. DINGELL, Mr. ABERCROMBIE, Mr. ANDREWS, Mr. COYNE, Mr. DEUTSCH, Mr. DIXON, Mr. FRANK of Massachusetts, Mr. GREENWOOD, Mr. KLECZKA, Ms. LOWEY, Mr. MARKEY, Mr. MCDERMOTT, Mr. MILLER of California, Mrs. MINK of Hawaii, Mrs.

MORELLA, Mr. OBERSTAR, Mr. PALLONE, Mr. PASTOR, Mr. SISISKY, Mr. STUDDS, Mr. TOWNS, and Ms. WOOLSEY):

H.R. 1462. A bill to amend the Public Health Service Act to provide for programs of research regarding Parkinson's disease, and for other purposes; to the Committee on Commerce.

By Mr. WOLF (for himself and Mr. DAVIS):

H.R. 1463. A bill to provide for the adoption of mandatory standards and procedures governing the actions of arbitrators in the arbitration of labor disputes involving transit agencies operating in the National Capital area; to the Committee on Transportation and Infrastructure.

By Mr. YOUNG of Alaska:

H.R. 1464. A bill to amend title 39, United States Code, to require the Postal Service to accept a change-of-address order from a commercial mail receiving agency and to forward mail to the new address; to the Committee on Government Reform and Oversight.

By Mr. ZELIFF:

H.R. 1465. A bill to amend the Magnuson Fishery Conservation and Management Act to establish additional prohibitions against removing, damaging, tampering with, or moving fishing gear and fish, including gear and fish from aquaculture operations in the exclusive economic zone; to the Committee on Resources.

By Mr. GOSS:

H. Con. Res. 58. Concurrent resolution providing for the adjournment of the two Houses; considered and agreed to.

By Mr. LANTOS:

H. Con. Res. 59. Concurrent resolution expressing the sense of the Congress that the Government of the United States should encourage resumption of direct, bilateral talks between India and Pakistan at the earliest possible time; to the Committee on International Relations.

By Mr. ROSE (for himself and Mr. GILMAN):

H. Con. Res. 60. Concurrent resolution commending India for its commitment to religious plurallism and tolerance; to the Committee on International Relations.

By Mr. MILLER of California (for himself, Ms. DELAURO, Mr. FROST, Mr. LIPINSKI, Ms. PELOSI, Mr. POSHARD, Mrs. SCHROEDER, Mr. VENTO, and Mr. CLAY):

H. Res. 132. Resolution amending the Rules of the House of Representatives to provide for disclosure of the source of amendments, measures, and committee reports; to the Committee on Rules.

By Mrs. SCHROEDER:

H. Res. 133. Resolution amending the Rules of the House of Representatives to require that reports from the Committee on Ways and Means accompanying revenue bills with targeted tax benefits clearly identify those benefits; to the Committee on Rules.

By Mrs. WALDHOLTZ (for herself, Mr. BARRETT of Wisconsin, Mr. SHAYS, Mr. MINGE, Mr. KLUG, Mr. DEAL of Georgia, Mr. CASTLE, Mr. MCHALE, and Mr. DICKEY):

H. Res. 134. Resolution to amend the Rules of the House of Representatives concerning the receipt of gifts from lobbyists and other persons; to the Committee on Standards of Official Conduct.

MEMORIALS

Under clause 4 of rule XXII,

41. The SPEAKER presented a memorial of the Legislature of the State of Oregon, relative to Federal mandates on States; to the Committee on the Judiciary.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. GILCHREST:

H.R. 1466. A bill to authorize the Secretary of Transportation to issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade and fisheries for each of the vessels *Sallie D* and *Memory Maker;* to the Committee on Transportation and Infrastructure.

By Mr. LIPINSKI:

H.R. 1467. A bill for the relief of Leland E. Person; to the Committee on Veterans' Affairs.

ADDITIONAL SPONSORS

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

H.R. 65: Mr. ANDREWS.

H.R. 70: Mrs. VUCANOVICH and Mr. TORKILDSEN.

H.R. 103: Mr. COLLINS of Georgia, Mr. SAWYER, Mr. SHAW, Mr. TALENT, Mr. BONO, and Mr. VENTO.

H.R. 127: Ms. HARMAN, Mr. HALL of Texas, Mr. FIELDS of Louisiana, and Mr. WAXMAN.

H.R. 218: Mrs. KELLY.

H.R. 311: Ms. NORTON Mr. SHAYS, Mr. GEJDENSON, Mr. WYDEN, and Ms. RIVERS.

H.R. 329: Mr. PACKARD.

H.R. 333: Mr. MINETA.

H.R. 359: Mr. CHAMBLISS, Mr. MCHALE, and Mrs. FOWLER.

H.R. 367: Mr. RANGEL.

H.R. 427: Mr. SKEEN, Mr. UPTON, Mrs. CHENOWETH, and Mr. STOCKMAN.

H.R. 436: Mr. PASTOR, Mr. PETRI, and Mr. COOLEY.

H.R. 468: Mr. HAMILTON.

H.R. 549: Mr. HAMILTON.

H.R. 553: Mr. MFUME.

H.R. 592: Mrs. FOWLER.

H.R. 616: Mrs. MEEK of Florida, Mr. FROST, Mr. LIPINSKI, Mr. THOMPSON, Mr. UNDERWOOD, Ms. NORTON, Mr. JEFFERSON, Mr. SCHUMER, Mr. DELLUMS, Mr. TUCKER, Mr. BISHOP, Mr. RUSH, Mr. FORD, Mr. WATT of North Carolina, Mr. OWENS, Mr. FIELDS of Louisiana, Ms. MCKINNEY, Mr. CLYBURN, Mr. SCOTT, Ms. JACKSON-LEE, and Mr. LEWIS of Georgia.

H.R. 638: Mr. MENENDEZ.

H.R. 676: Mr. FATTAH.

H.R. 677: Mr. LEWIS of Georgia.

H.R. 700: Mrs. MYRICK, Mr. SHAW, Mr. LINDER, Mr. BROWNBACK, Mr. HOSTETTLER, Mr. ENGLISH of Pennsylvania, Mr. PAXON, Mr. BAKER of California, and Mr. SCARBOROUGH.

H.R. 713: Ms. MCCARTHY, Mr. MANTON, and Mrs. MINK of Hawaii.

H.R. 727: Mr. HINCHEY.

H.R. 733: Mr. SAWYER.

H.R. 734: Mr. SAWYER.

H.R. 739: Mr. CALVERT and Mrs. MEYERS of Kansas.

H.R. 743: Mr. GRAHAM and Mr. SOUDER.

H.R. 752: Mrs. WALDHOLTZ, Mr. BURTON of Indiana, Mr. STOCKMAN, Mr. CHAMBLISS, and Mr. YOUNG of Florida.

H.R. 761: Mr. RANGEL.

H.R. 795: Mrs. SMITH of Washington.

H.R. 798: Mr. MCDERMOTT, Mr. SERRANO, Mrs. THURMAN, Mr. FROST, Mr. GENE GREEN of Texas, Mr. JEFFERSON, MS. RIVERS, Mrs. SCHROEDER, Mr. THOMPSON, and Mr. ROMERO-BARCELO.

H.R. 820: Mr. MORAN.

H.R. 822: Mrs. CHENOWETH and Mr. LUTHER.

H.R. 844: Mr. MINGE.

H.R. 850: Mr. FOX.

H.R. 896: Mr. ACKERMAN and Mr. LEWIS of Georgia.

H.R. 899: Mr. DREIER, Mr. WICKER, Mr. LEWIS of Kentucky, Mr. SOLOMON, Mr. MICA, Mr. EMERSON, Mr. SPENCE, Mr. CALVERT, Mr. HILLEARY, Mr. BARTLETT of Maryland, Mrs. VUCANOVICH, Mr. BEREUTER, Mr. CHAPMAN.

H.R. 924: Mr. BOEHLERT and Ms. HARMAN.

H.R. 991: Mr. ROHRABACHER.

H.R. 1010: Mr. BEILENSON, Mr. DELLUMS, Mr. DICKEY, Mr. PALLONE, Mr. MENENDEZ, Mr. FRANK of Massachusetts, Mr. FILNER, and Mr. PETRI.

H.R. 1018: Mrs. FOWLER.

H.R. 1020: Mr. FRISA.

H.R. 1023: Mr. ROMERO-BARCELO and Mr. FRANK of Massachusetts.

H.R. 1028: Mr. UPTON and Mr. SKEEN.

H.R. 1044: Mr. FIELDS of Texas.

H.R. 1079: Mr. MCDADE, Mr. PALLONE, Mr. ROMERO-BARCELO, Mr. TORRES, Mr. FROST, Mrs. MINK of Hawaii, Mr. BAKER of Louisiana, Mr. BISHOP, Mr. YATES, Mr. POSHARD, Mr. TRAFICANT, Mr. STOKES, Mrs. COLLINS of Illinois, Mr. COSTELLO, Mr. BRYANT of Texas, Mr. PASTOR, Mr. DUNCAN, Mr. FILNER, Mr. BORSKI, Mr. FRAZER, and Mr. TUCKER.

H.R. 1085: Mr. HINCHEY.

H.R. 1103: Mrs. SEASTRAND and Mr. COOLEY.

H.R. 1129: Mr. BEVILL, Mr. BONIOR, Ms. NORTON, Mr. MARKEY, Mrs. MINK of Hawaii, and Mr. WAXMAN.

H.R. 1143: Mr. SAXTON.

H.R. 1144: Mr. SAXTON.

H.R. 1145: Mr. SAXTON.

H.R. 1173: Mr. GOODLATTE.

H.R. 1191: Mr. LUTHER.

H.R. 1210: Mr. DIAZ-BALART.

H.R. 1220: Mr. NETHERCUTT, Mr. FUNDERBURK, Mr. THORNBERRY, Mr. COMBEST, Mr. DOOLITTLE, Mr. MCINTOSH, Mr. PACKARD, and Mr. JONES.

H.R. 1235: Mr. HOEKSTRA, Mr. ACKERMAN, Mr. COX, and Mr. ROHRABACHER.

H.R. 1242: Mr. LAHOOD.

H.R. 1252: Mr. SENSENBRENNER and Mr. MINGE.

H.R. 1288: Mr. BURTON of Indiana, Mr. ROBERTS, Mr. MYERS of Indiana, Mr. HOSTETTLER, Mr. SOUDER, and Mr. MCINTOSH.

H.R. 1300: Mr. COBLE, Mrs. CLAYTON, Mr. STENHOLM, Mr. HEINEMAN, Mr. GOODLATTE, Mr. KLUG, and Mr. FUNDERBURK.

H.R. 1309: Mr. DIAZ-BALART and Mr. FILNER.

H.R. 1316: Ms. MOLINARI.

H.R. 1329: Mr. BRYANT of Tennessee and Mr. ROMERO-BARCELO.

H.R. 1339: Mr. EVANS.

H.R. 1378: Mr. MATSUI and Mr. KLECZKA.

H.R. 1397: Mr. WILSON.

H.J. Res. 61: Mr. SHAYS.

H.J. Res. 79: Mr. HAYES and Mr. INGLIS of South Carolina.

H. Con. Res. 32: Mr. KING, Mr. FLAKE, Mr. TUCKER, Mrs. WALDHOLTZ, Mr. MORAN, Mr. TRAFICANT, Mr. FUNDERBURK, Mr. JONES, Mr. SALMON, Mr. HOKE, Mr. REYNOLDS, and Mr. COX.

H. Con. Res. 43: Mr. LUTHER and Ms. SLAUGHTER.

H. Con. Res. 48: Mr. MEEHAN, Mr. MCDERMOTT, Mr. LEVIN, Mr. SCHUMER, Mr. STEARNS, Mr. DOYLE, Mr. ROYCE, Mr. GENE GREEN of Texas.

H. Con. Res. 54: Mr. ANDREWS.

H. Res. 30: Mr. BARTON of Texas, Mr. ABERCROMBIE, Mr. OBERSTAR, Mr. HAYES, Mr. LEACH, Mr. INGLIS of South Carolina, Mr. ROSE, Mr. NEAL of Massachusetts, Mr. PORTMAN, Mr. CUNNINGHAM, Mr. BURR, Mr. WAMP, and Mr. GRAHAM.

H. Res. 122: Mr. ACKERMAN, Mr. BALDACCI, Mr. BOEHLERT, Mrs. COLLINS of Illinois, Ms.

DELAURO, Mr. DEUTSCH, Mr. FLAKE, Mr. FROST, Mr. GONZALEZ, Mr. HOLDEN, Ms. JACKSON-LEE, Mr. MARKEY, Mr. PICKETT, Mr. RAHALL, Mr. VENTO, Mr. WISE, and Mr. WYDEN.

DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

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

H.R. 42: Mr. BONO, Mr. OBERSTAR, and Ms. ROS-LEHTINEN.

H.R. 345: Mr. BREWSTER.

H.R. 555: Mr. FOLEY.

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PROCEEDINGS AND DEBATES OF THE 104th CONGRESS, FIRST SESSION

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Senate

(Legislative day of Wednesday, April 5, 1995)

The Senate met at 9:30 a.m., on the expiration of the recess, and was called to order by the President pro tempore [Mr. THURMOND].

The PRESIDENT pro tempore. Today's prayer will be offered by our guest Chaplain, Father Schlegel. He is president of the University of San Francisco. He has been endorsed by Senator HATFIELD and Sheila Burke. We are very pleased to have him with us.

PRAYER

The guest Chaplain, Father John Schlegel, office of the president, University of San Francisco, offered the following prayer:

Let us pray:

God, designer of life and author of all that is good and beautiful. We know You to be a God of harmony and wholeness; a God who seeks justice and rewards goodness.

You give to Your daughters and sons many gifts, talents, opportunities, and challenges. You have endowed those elected to this Chamber great opportunities and great responsibility in conducting the public work of this land for the common good of all.

As they deliberate may they be motivated by service and guided by conscience.

Grant the Members of this Senate and the whole Congress: wisdom to their minds; clearness in their thinking; truth in their speaking; love in their hearts; and enthusiasm for their work. Help them be a source of unity not division. Help them be seekers of justice and forgers of equality. Help them to set the interest of the Nation above all else.

Guide them, finally, to exercise their power to assist our fellow citizens to feed the hungry among us; to ease the burden of those in pain; and to make our country, our communities, and our homes better places to live and to work.

As we make this prayer today as every day, we make it in confidence knowing You are a God of faithfulness and covenant, a God of love, a God of peace. Amen.

RECOGNITION OF THE ACTING MAJORITY LEADER

The PRESIDENT pro tempore. The distinguished Senator from Wyoming.

SCHEDULE

Mr. THOMAS. Mr. President, on behalf of the leader, let me say this morning that the time for the two leaders has been reserved, and the Senate will immediately resume consideration of H.R. 1158, the supplemental appropriations and rescissions bill. It is the hope of the majority leader that a unanimous-consent agreement can be reached that will enable the Senate to complete action on the supplemental appropriations bill today.

If an agreement cannot be reached, Senators are to be reminded that a cloture vote on the Hatfield substitute is scheduled for 2 p.m. today. Members should be aware that rollcall votes could occur throughout the day.

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

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

The assistant legislative clerk proceeded to call the roll.

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

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

RESERVATION OF LEADERSHIP TIME

The PRESIDING OFFICER. Under the previous order, the leadership time has been reserved.

EMERGENCY SUPPLEMENTAL APPROPRIATIONS ACT

The PRESIDING OFFICER. Under the previous order, the Senate will now resume consideration of H.R. 1158, which the clerk will report.

The assistant legislative clerk read as follows:

A bill (H.R. 1158) making emergency supplemental appropriations for additional disaster assistance and making rescissions for the fiscal year ending September 30, 1995, and for other purposes.

The Senate resumed consideration of the bill.

Pending:

Hatfield amendment No. 420, in the nature of a substitute.

D'Amato amendment No. 427 (to amendment No. 420) to require congressional approval of aggregate annual assistance to any foreign entity using the exchange stabilization fund established under section 5302 of title 31, United States Code, in an amount that exceeds $5 billion.

Murkowski-D'Amato amendment No. 441 (to amendment No. 427) of a perfecting nature.

Daschle amendment No. 445 (to amendment No. 420) in the nature of a substitute.

Dole (for Ashcroft) amendment No. 446 (to amendment No. 445) in the nature of a substitute.

Mr. THOMAS addressed the Chair.

The PRESIDING OFFICER. The Senator from Wyoming is now recognized.

Mr. THOMAS. Mr. President, I ask unanimous consent to proceed as in morning business.

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

PAPERWORK REDUCTION ACT OF 1995—CONFERENCE REPORT

Mr. THOMAS. Mr. President, this request has been agreed to by both the minority and the majority leaders.

I ask unanimous consent that the Senate now turn to the consideration of the conference report to accompany

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

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S. 244, the paperwork reduction bill; that the conference report be agreed to; and that the motion to reconsider be laid upon the table.

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

The clerk will report.

The assistant clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 244) to further the goals of the Paperwork Reduction Act to have Federal agencies become more responsible and publicly accountable for reducing the burden of Federal paperwork on the public, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by a majority of the conferees.

(The conference report is printed in the House proceedings of the RECORD of April 3, 1995.)

Mr. ROTH. Mr. President, I am pleased to state that our bipartisan efforts to strengthen the Paperwork Reduction Act, which began in the last Congress, has now in this Congress become bicameral. The conferees were able to resolve the differences between the Houses so that before the week is over the Congress will have concluded its work on a bill that significantly improves upon current law.

As my colleagues know, the 1980 Act established within OMB the Office of Information and Regulatory Affairs [OIRA]. That offices was directed to review the paperwork burdens created by the Federal Government. All collections of information from 10 or more persons must, with very few exceptions, be reviewed by OIRA for their need and practical utility and must receive a clearance number before they can become effective.

The fundamental purpose of this review process is to reduce the paperwork burden on the American public. Hence, the name given to this legislation. However, before this legislation now pending, because of the Supreme Court decision in Dole versus Steelworkers, not all paperwork burdens caused by the Federal Government had to be reviewed and cleared. The Court said that the act applied to paperwork that flowed from a private party to the Federal Government and not to instances where the Federal Government required a person to provide information to another person.

As a policy matter, I have never favored the distinction made in the Dole case. The conference report makes clear that neither House of Congress accepts this distinction. The Dole case is overturned, and the scope of OIRA's review authority is, as a consequence, enlarged by 50 percent. This change marks a major breakthrough in our paperwork reduction efforts.

In noting the major effect of this legislation, I do not mean to imply that it was a major issue with the House. It was not. In fact, in view of the breadth of this legislation, the issues in disagreement were relatively few.

Perhaps the most significant disagreement concerned the duration of the authorization of appropriations for OIRA. The Senate bill provided $8 million for each of the next 5 years, while the House had an indefinite and permanent authorization. The conferees compromised on the Senate version for an additional year. This 6-year authorization will prompt us to review the legislation at some future time, which was the underlying rationale of the Senate provision.

The House argued that OIRA has clearly been established as a matter of policy, if not in law, as a central organ of the Federal Government and a key instrument of current regulatory reform efforts. The Senate responded that it was not its position to sunset either the Paperwork Reduction Act or OIRA. The lack of a permanent authorization of appropriations for OIRA has never before, even when it has expired, caused OIRA to terminate.

I agree that OIRA has become a necessary and permanent policeman of paperwork and regulation. But I also continue to hold my longstanding commitment to limited authorizations. Six years is a substantial period of time. A lot can change in 6 years. In 2001, it is entirely appropriate that Congress review the status of our paperwork reduction efforts and the role of OIRA.

A second major issue of disagreement between the Houses concerned the annual percentage goals for Government-wide reductions in paperwork burdens. The Senate set a 5 percent goal for each of the next 5 years. The House set a 10 percent annual goal forever. Of course, all the conferees would like to see substantial reductions. The question was a practical one: what goal was realistically achievable? Once we had decided on a 6-year timeframe, the issue became more focused. While the House conferees made clear that their 10 percent goal was to be set annually with respect to a new paperwork baseline that would include new congressional paperwork mandates, Senate conferees were still concerned that 10 percent a year for 6 years was unrealistic. After some discussion, it was agreed that the paperwork reduction goals of the Federal Government should be set at 10 percent for each of the first 2 years and 5 percent for each of the other 4 years.

A third major issue of disagreement concerned the House provision which permitted OIRA to charge the users of Government information more than the cost of disseminating such information. While there might be some instances where such an authority would be appropriate, the House provision was not crafted in any such limited manner. The Senate conferees thought it was a little late in the legislative process to start isolating circumstances where charges in addition to dissemination costs might be appropriate. Not having addressed this issue at all in the Senate bill, the Senate conferees asked that the House recede. And the House agreed.

Mr. President, the topic that captured more time in conference discussion than any other was that of redrafting section 3512, which provides public protection against agency noncompliance with the Paperwork Reduction Act. Since 1980, the act has provided a fundamental protection to every citizen that he or she need not comply with, or respond to, a collection of information if such collection does not display a valid control number given by OMB as evidence that the collection was reviewed and approved by OIRA. And if the collection does not display a valid control number, the agency may not impose any penalty on the citizen who fails to comply or respond.

In order to strengthen and underscore congressional desire to protect the public, the conferees included a definition of penalty at the end of section 3502 to make clear that the term not only applies to the payment of a fine but also to the denial of a benefit. What this means is that if an agency does not comply with this act, it is in serious trouble. If an agency does not act on a citizen's request for a Government benefit because the citizen did not complete a form that fails to display a valid OMB clearance number, it is the agency—not the citizen—that stands in violation of law. Once this is determined, the agency would not only owe the citizen the benefits due but also perhaps interest as well.

Now there are some who may grumble that this provision is too weak. Since 1980, section 3512 has included an alternative clause of public protection requiring the collection of information to state that if it did not display a valid OMB control number, it was not subject to the act. Some may view that second clause as a tautology. That is how agencies have interpreted it. But some others have believed that it requires: First, that every effort by the Government to collect information, even those not covered by the act, be accompanied by a statement advising that such collection is not required to have a clearance number; and second, that consequently a failure to provide such advice would subject the collection of information to the public protection sanctions of section 3512, even though the collection was not subject to the act.

Now the act specifies in section 3518 certain exceptions from the act. A subpoena is one example. Also, by definition, a collection of information falls under the act only if 10 or more persons are involved. My view is that since a subpoena is not covered by the act's clearance requirements and since a request for information made to nine or fewer individuals is likewise not covered, then in such cases the sanctions of section 3512 have no application. It is simply foolish, in my opinion, to require an agency to inform a person it is

dealing with about the laws that do not apply.

So with the concurrence of all the Senate conferees, this second clause was rewritten to be both feasible and useful. It now requires the agency to inform the person who is to respond to collections of information governed by the act that such person is not required to respond to the collection of information unless it displays a valid control number from OMB. This statement of how section 3512 operates to protect the public technically need not appear on the collection of information itself. That is because the term collection of information includes more than Government requests for information. An example of an additional item included within the definition might be a recordkeeping requirement. In such case, the collection of information might not be a Government form but instead a legal requirement about which the agency provides instructions.

While the conferees provided some flexibility regarding the second clause of section 3512(a), it is their intention that the agency inform those who are to respond in a manner reasonably calculated to bring the matter to their attention. If the collection is a Government form to be completed and submitted by a person, then that form should bear the necessary statement to fulfill the requirements of section 3512(a)(2). If the collection concerns something else, such as recordkeeping, then the agency should make it section 3512(a)(2) statement as clearly as possible in some document, such as instructions regarding such recordkeeping.

Moreover, in section 3512(b) the conferees made clear that the protections of section 3512 may be raised at any time during the life of the matter. The protections cannot be waived. Failure to raise them at any early stage does not preclude later assertion of rights under this section, regardless of any agency or judicial rules to the contrary.

I believe that as a result of our changes to section 3512 we have substantially strengthened that section and, in turn, the entire act. Any agency that fails to comply with the clearance provisions of this act does so at its peril. Any collection of information, unless excepted by this act, must be cleared by OMB. And this applies to all agencies, including independent agencies.

Neither the House nor the Senate sought to change the policy of the 1980 Act that all agencies, including independent agencies, have their information collections, even those by regulation, subjected to OMB review and approval. So while exceptions are made for certain law enforcement and intelligence activities, none is made for duck hunting or the safety and soundness regulations of banking agencies, Apparently, no difficulties have arisen in the last 15 years under the 1980 Act. So no change is made from current law.

The final major item of disagreement concerned the standard by which regulations which include information collections are judged. Under current law, OMB reviews such agency rules and comments thereon applying the standard of section 3508—whether the collection is unnecessary) and thereafter approves or disapproves after receiving the agency's response to OMB's comments. By what standard does OMB decide? Current law allows OMB to disapprove if the agency's response was unreasonable. The House sought to tidy up by cross-referencing section 3508 rather than using the current law's formulation of unreasonable.

As a practical matter, there is no real difference between whether the agency's response to OMB's comments are unreasonable in light of OMB's views on whether the agency's collection is unnecessary under section 3508 and whether the collection is unnecessary under that section. Since both standards—unreasonable and unnecessary—lack precision, there is nothing in current law to stop OMB, unless persuaded by the agency's response, from disapproving a regulatory collection because it would be unnecessary under section 3508.

Some of my Senate colleagues believe that the House position undermined an important difference—a zone of deference to be accorded agency rulemaking. The argument is that OMB may disapprove a regulation only if the agency's response is unreasonable even if OMB believes that collection is unnecessary. While the argument tracks the words of current law, I am not persuaded that the zone of deference has any dimension to it at all. Nor do I see what benefit would derive from making a distinction between collections undertaken as part of a regulation and those outside of a regulation, which are covered only by section 3508. Either way, if the collections are unnecessary, they should be disapproved. What is the compelling argument for allowing unnecessary collections to burden the American public simply because the agency's response was not unreasonable?

Ultimately, the conferees decided to keep current law because it satisfied more conferees then did the House version's unambiguous language. Current law satisfies the majority of conferees who believe that nothing stops OMB from disapproving a regulatory collection found to be unnecessary while it allows others to argue that some metaphysical zone of deference is preserved for regulatory collections.

Mr. President, when we last came to the floor on S. 244, the Senate adopted several amendments that did not directly bear upon the Paperwork Reduction Act. Only one of those amendments survived the conference. That amendment by Senator COVERDELL sought to reduce small business compliance burdens with the Quarterly Financial Report Program at the Bureau of the Census. With some minor modifications, this provision has been transformed in conference from a pilot project to a permanent program change. The provision, as modified, has the support of its original sponsor and of the Census Bureau.

Two amendments dealing with the elimination of unnecessary reports to Congress—one by Senator MCCAIN and one by Senator LEVIN—were dropped at the insistence of the House. Conferees had received correspondence from various congressional committees and agencies raising technical and other concerns about these provisions. Representative CLINGER, who chaired the conference, indicated that he favored the purpose of the reports-elimination provisions but could not hold up the Paperwork Reduction Act while various concerns with these nongermane amendments were addressed. He said he would introduce a companion bill in the House and would seek to move the legislation there.

Finally, an amendment that expressed the sense of the Senate regarding the Oregon option was also dropped in conference at the insistence of the House conferees.

Mr. President, the Paperwork Reduction Act of 1995 passed both Houses on rollcall votes with not a single dissenting voice. I am pleased to report that the conferees have resolved all differences between the two bodies with the result that we have even a stronger bill than before. It should be noted that we could not have moved so swiftly to passage and through conference without the bipartisan cooperation of Senator NUNN, the chief sponsor of S. 244, and Senator GLENN, the ranking minority member of the Committee on Governmental Affairs. I commend them for their hard work on this legislation not only in this Congress but in the last. Their effort set a mark not only in the Senate but in the House and made enactment of this legislation possible within the first 100 days of the 104th Congress.

I urge my colleagues to approve this conference report.

Mr. GLENN. Mr. President, it gives me great pleasure to rise before my colleagues today and urge their acceptance of the conference report on our bipartisan legislation to reauthorize the Paperwork Reduction Act. This day has been a long time in coming. At long last, we can take our final step toward presenting the President with a bill that I am sure he will sign and that I am equally confident will reduce paperwork and improve the management of Federal information resources.

Passage of this legislation is an accomplishment that I am very proud of. Reauthorization of the act was one of my major priorities during my 6 years as chairman of the Governmental Affairs Committee. After several years of discordant debate about the act's implementation, we fashioned a bipartisan bill that resolved outstanding issues and moved the act forward to more clearly address new Information

Age issues. This bill was unanimously passed by the Senate on October 6, 1994.

Unfortunately, the House was unable to act before the end of the 103d Congress. The legislation that we have before us today is this same bill, with only a few minor changes. This year's House bill itself was also modeled very, very closely on our bill. I am thus very proud of the leadership our committee provided in the last Congress, the bipartisan cooperation that continued into this Congress, and the accomplishment that we now have before us.

The Paperwork Reduction Act is a vitally important law. Originally enacted in 1980, and reauthorized in 1986, the act serves two closely related and very essential public purposes. First, the act is key to the ongoing effort to reduce Government paperwork burdens on the American public. Too often, our citizens—individuals, businesses, State and local governments, academic institutions, nonprofit organizations, and more—are burdened by having to fill out questionnaires and forms that simply are not needed to implement the laws of the land. Too much time and money is wasted in an effort to satisfy bureaucratic excess.

The Paperwork Reduction Act of 1980 took up the battle by transforming a leaky review process—created in 1942—into a strong centralized OMB clearance process to control the information appetite of agencies all across the Federal Government. The Paperwork Reduction Act of 1995 strengthens this process, primarily by increasing the paperwork reduction responsibilities of the individual agencies, so that we can make new progress in fighting Government redtape.

The act's second core purpose is to improve Federal information resources management. This is not a separate or secondary goal. Reducing the costs and improving the efficiency and effectiveness of Government information activities is an essential element of paperwork reduction. As the 1977 Federal paperwork Commission commented, how can Federal agencies reduce paperwork if they don't know what information they possess or how best to use it? We simply cannot reduce paperwork burdens on the American people unless we can get more efficient and effective information activities out of Federal agencies.

Our entry into the Information Age signals an even more fundamental truth. We cannot provide efficient and effective Government operations without efficient and effective information activities. Program operations, service delivery, agency policy formulation and decisions—all now depend increasingly on information technology.

The scale of this transformation of the Government from a paper-driven to a computer-driven operation is staggering. The Federal Government is now spending over $25 billion each year on information technology. We have truly entered the Information Age. Automated data processing for program applications, electronic benefits transfer for food stamps distribution, electronic data interchange to speed up Federal contracting, direct deposit for more efficient delivery of pay and retirement benefits, computer matching to catch tax cheats, high capacity telecommunication networks and videoconferencing for more efficient work across the Nation and even the globe. These innovations are already a part of Government. They also suggest some of the opportunities still to come for improving Government operations.

Unfortunately, as oversight by our committee and others has shown, the Government is not realizing the full potential of this technological revolution. The Federal Government is simply wasting millions and millions of dollars on poorly designed and often incompatible systems. This must stop.

The Paperwork Reduction Act of 1980 took a first step on the road to reform when it created information resources management [IRM] policies to be overseen by OMB. The Paperwork Reduction Act of 1995 strengthens that mandate and establishes new requirements for agency IRM improvements. These requirements focus on agency responsibility for IRM improvement, including results-oriented performance standards. These strengthened requirements add needed detail to the larger IRM framework, with its essential oversight role for OMB, to ensure that we have both management results and accountability. The legislation balances process controls with program and management responsibility to provide IRM improvements without stifling micromanagement.

In serving these twin, closely related statutory purposes of paperwork reduction and information resources management, the Paperwork Reduction Act of 1995 includes several notable accomplishments.

We reauthorize the act for 6 years. While the House proposed a permanent authorization, the conference agreement contains a definite reauthorization period. While the difficulties in reauthorizing the act between 1983 and 1986, and again from 1989 to the present, may suggest to some that the act ought to be permanently reauthorized, I draw a very different conclusion. It is precisely because the act is so important, because it concentrates significant power in OMB—which is the President's enforcer, if there ever was one—and because there has been so much controversy about OMB's actions under the act—and its related regulatory review powers—that every effort must be made to provide and sustain serious congressional oversight.

Without a periodic reauthorization schedule, I am afraid that our oversight would suffer. With the requirement for reauthorization, we are required to scrutinize the act and its implementation, and persevere in resolving differences and arriving at any needed statutory reforms. The reforms found in the Paperwork Reduction Act of 1995 are the product of this reauthorization process and proof of its importance.

We strengthen the paperwork clearance process in several ways. The most important reform is the establishment of new detailed requirements for agencies to evaluate paperwork proposals and solicit public comment on them before the proposals go to OMB for review. These new requirements will, first of all, ensure the more thoughtful development of only truly ''necessary'' agency information collection proposals. Just as importantly, these requirements will also help agencies more clearly and thoroughly make their case for such proposals, and thus prepare for a fair hearing before OMB on what is or is not ''necessary for the proper performance of the agency's functions,'' as the law puts it. Together, I believe, these expanded agency requirements provide the greatest opportunity for progress in the war against red tape.

We also strengthen the paperwork process by overturning the Dole versus United Steelworkers Supreme Court decision regarding OSHA's hazard communication standard, so that information disclosure requirements are covered by the OMB paperwork clearance process. This ends a controversy of several years and clarifies that the act covers all paperwork requirements, not just information that is collected for an agency's own use.

In other respects, the act's OMB paperwork clearance standards remain unchanged. In fact, the decision to overturn the Supreme Court ''Haz Comm'' decision is only appropriate given the continuing integrity of the procedure for OMB review of information collections required by regulation. As provided under the original 1980 act, after commenting on regulatory paperwork requirements in a proposed rule, OMB may disapprove a final rule paperwork requirement only if it finds that the agency's response to its comments are ''unreasonable.'' As Senator KENNEDY said at the time, ''[Without this provision,] this legislation would permit OMB to overturn * * * [an agency rulemaking] decision without even requiring OMB to justify its decision publicly. This violates basic notices of fairness upon which the Administrative Procedure Act is based, as well as concepts of due process embodied in the U.S. Constitution.'' (S30178, November 19, 1980). With this legislative history so clear, I am very pleased that the House receded to the Senate on this point in the current legislation—our committee and the Senate having already clearly decided to maintain unchanged the paperwork clearance standards of the act.

The Paperwork Reduction Act of 1995 also provides needed detail to the act's general provisions on information dissemination. OMB policy guidance responsibilities are delineated, as are the operational responsibilities of individual Federal agencies. The primary

theme running through these provisions is the obligation of Federal agencies to conduct their dissemination activities in such a way as to ensure that the public has timely and equitable access to public information. A major element of this obligation is the mandate to make information available on a nondiscriminatory and nonexclusive basis so as to avoid disadvantaging any class of information users. Public information is public. It should not become a source of revenue for agencies or a means by which to exercise proprietary-like controls on information.

Finally, the legislation requires the development of a Government Information Locator Service [GILS] to ensure improved public access to government information, especially that maintained in electronic format, and makes other improvements in the areas of government statistics, records management, computer security, and the management of information technology.

These are important reforms. Of course, reaching broad bipartisan agreement on this legislation has involved considerable compromise. There has been give and take on both sides. The result, like most compromises, has displeased some. I believe, however, that the legislation represents a practical compromise that addresses many real issues and moves the Government forward toward the reduction of paperwork burdens on the public and improvements in the management of Federal information resources. It should be supported for its very significant provisions.

Even with this accomplishment, it should be clearly understood that the legislative compromise does not resolve conflicting views on the OMB paperwork and regulatory review controversies that have dogged congressional oversight of the Paperwork Reduction Act. As I said in my additional views in our committee report:

> Support for the original act and for the current legislation should not . . . lead anyone to overlook the problems that have frustrated full implementation of the law. Fifteen years of Committee oversight have produced a record replete with criticisms, largely directed at OMB, for unbalanced implementation of the Act. Slighting statistics, records management, information technology management, privacy and security, and other aspects of information resources management, OMB devoted itself to a paperwork clearance and regulatory review process that occasioned repeated charges of interference with substantive agency decision-making. I believe that this record should not be obscured . . .'' (S. Report No. 104–8, p. 59):

This record should remind us of our continuing obligation to oversee the act, at the same time that we move forward with the current legislation to better fulfill its very important purposes.

In conclusion, the legislation before us strengthens the Paperwork Reduction Act. It also remains true to the intent of the original 1980 act. Both the administration and the General Accounting Office concur in this judgment and support the legislation. I am very proud of our accomplishment in bringing this legislation to final passage of the conference report. This has been a cooperative bipartisan effort. We could not be here without the hard work of Senator NUNN and Senator ROTH, who is now chairman of the Governmental Affairs Committee. I would also single out Senator BINGAMAN, my good friend from New Mexico, who, when he was on our committee, initiated the reauthorization effort in 1989. And, of course, as always, Senator CARL LEVIN of Michigan has played an important role, working to ensure that our committee's consideration of the legislation helped the fight both against paperwork and for Government efficiency.

This really has been a long-haul effort. And through those years, a small group of staff have labored long and hard, again and again working over drafts and coming up with legislative language to help us reach the point we are at today. I want to thank Frank Polk of Senator ROTH's staff, Bill Montalto with Senator NUNN, and Len Weiss and David Plocher of my staff. We could not be here today without their work. Finally, I want to thank Jeff Hill and Bruce McConnell of OMB's Office of Information and Regulatory Affairs, and Dan Latta and Chris Hoenig of GAO's Accounting and Information Management Division. Their technical assistance throughout the legislative process was essential, and they deserve our thanks for their help.

We are now one short step from final enactment of the Paperwork Reduction Act of 1995. I strongly urge my colleagues to join in supporting this very important legislation.

The PRESIDING OFFICER. Without objection, the conference report is agreed to.

So the conference report was agreed to.

Mr. THOMAS. Mr. President, I ask unanimous consent to proceed as in morning business.

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

FRESHMAN FOCUS

Mr. THOMAS. Mr. President, as you know, over the last several weeks, the Senate freshmen have taken time on various occasions to come to the floor to talk about the agenda that we believe was prescribed during the last election, the agenda that the 11 of us, as new Republican Senators, would like to see pursued in the Senate.

Our plan was to talk in morning business about that this morning. As you know, the order has been changed, and we respect that. But until such time as the majority leader and the minority leader are able to pull up the bill, we would like to proceed to talk about some of the things that we think are most important.

We call this the freshman focus, and we think we do bring to this body something of a unique point of view in that each of us, of course, just came off an election, each of us campaigned for a very long time in our States, each of us talked to many people, and each of us believes that there was a message in the election and that the responsibility of responsive Government is to respond to that election and to the voice of the voters as we see it.

So, Mr. President, we, I think, have going on here a great debate. It may not take the form of great debate in terms of its physical approach, but the great debate is between the way we see things happening, the way we see ourselves as a society and as a country entering into the new millennium, entering into the year 2000 in a relatively short 5 or 6 years and what shape we see ourselves in as a nation going into that new millennium.

The great debate is whether or not we want to go into that new century continuing as we are financially, continuing as we are with the huge debt that we have, continuing as we are with deficits of $250 billion in that foreseeable future or, in fact, whether we want to seek to make some changes so that we go into that millennium, so that we go into that new century, with a nation that is financially and fiscally responsible, and now is the time we have to do that.

That is the great debate, the great debate that has been going on in the House, the great debate that is going on here, the great debate that will take place over the next year in terms of the budget. Basically, the debate is overspending.

We all have charts. Unfortunately, I am not armed with a chart this morning. The chart would show, however, that spending has gone up in this kind of fashion, spending has gone up in the neighborhood of 5 percent a year for many years and is designed to continue to go up at 5 percent a year for the foreseeable future. The President's budget this year has a 5.5-percent increase in spending.

So we talk a lot about the deficit, the deficit which is a result, of course, of the difference between revenues and outlays, but really is the result of spending. If there was a message that I think was universally discernible in November, it was that Government is too big and that Government spends too much. Most people agree with that.

If we are to have a reasonable debate, there needs to be a couple of things agreed to, a couple of things have to be stipulated. One struck me some time back in our church in Cheyenne that we attend, and the message that the pastor had was that every day each of us has a responsibility to make this a better place to live.

Whether a person is a Senator, whether a person is a carpenter, whether a person is a rancher, we each, where we are, have a responsibility to make this a better place to live.

We do it in our own ways. We each have something different to contribute.

But, Mr. President, we have, in addition to the citizenship responsibility, we have the responsibility of being trustees for this country, being trustees for the spending responsibilities of the United States—an awesome responsibility it seems to me, one that goes far beyond simply spending, goes far beyond arithmetic, goes far beyond accounting. It goes into the character of a nation.

Whether or not we are able to pay for the things we want, whether we are willing to have a cost-benefit ratio and decide for ourselves if it is worth paying for, we pay for it. It is irresponsible to continue to put it on the credit card for our kids. Our credit card is maxed out.

Within the next month or 2 months, we will be asked to raise the debt limit— $5 trillion. Talk about charts that impressed me a little some time ago, in 1970, the budget of this country was about $204 billion, in that category. Twenty-five years later, the interest payment on the debt is more than the entire cost of the Federal Government in 1970—not very long ago.

So the question in the great debate is how do we go into the 21st century? How do we go into the new millennium? That is what the freshmen are focusing on.

There is a great deal more to the debate on this question today of rescissions, this question today of whether we can find $15 billion to take out of spending, $15 billion that will not go on the debt. There is more to it than just this spending issue. It has a good deal to do with national character.

So that is what it is about. That is what the freshmen are seeking to do. Unfortunately, the opposition, rather than taking a look at where are we, where do we need to go, what changes do we have to make, what changes did voters ask for, are saying, ''Oh, no, we cannot change. We want to continue with the programs we have had. We want to continue with the war on poverty''—which has failed. The war on poverty was started 30 years ago, and there are more people in poverty now than there were then.

We have the greatest opportunity now than we have had for a very long time, a great opportunity to take a look at where we are going. I suggested there needs to be a stipulation in this great debate, and that stipulation also has to be not only do we have a responsibility to make it a better place to live, but also that people who want to make changes have as much compassion and as much caring as do those who do not. The idea that people wanting to make a change and wanting to take a look at where we are going signifies that we want to throw everyone out on the street and there is no caring and that it is simply a mathematical thing is absolutely wrong. I am beginning to hear it. I hear it almost hourly from the opposition—the reason for not making a change is because it is not compassionate.

Let me suggest if we want to take a look at the long range, we want to take a look at your kids, my kids and our grandkids, we need to have a little compassion about that. We need to have a little compassion about what kind of a financial position and responsibility for our Government will we have in the year 2000 unless we make some changes.

Of course they are difficult. Of course they are difficult changes. We must make them. Americans voted for change in 1994.

We have the greatest opportunity we have had for a very long time to take a look at programs and say are they fulfilling the objective? Is that the best way to deliver services to people who need them? To take a look at welfare and say, the purpose of welfare is to help people who need help and to help them back into the workplace. A hand up, not a handout.

That is what we ought to be looking for, and to measure those programs and see if, indeed, they are successful, or is there a better way to do it. Do we need 165 programs designed to go from school to work? Of course not. We need to put them together and look at duplicity and look at repetition and see if there is a more efficient way to do it. That is what this debate is about.

Frankly, we are having a hard time keeping that debate in the arena of finding better ways to help people help themselves. That is what it is for.

Mr. President, I hope as we go through it, there will be a stipulation that we are setting out to find a better way, a better way to help people who need help; a better way to provide incentives for everyone to work and take care of themselves; a better way for the business sector to invest, to create jobs, so that we can help ourselves; a better way to eliminate bureaucracy and duplicity so that we can deliver services.

That is what it is about. That is the responsibility that we have.

Mr. President, I thank you, and I want to yield to my good friend from Pennsylvania, who certainly is one of the leaders in this effort to find better ways so that we have a society of self-improvement rather than dependence.

Mr. SANTORUM addressed the Chair.

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. SANTORUM. Mr. President, I ask unanimous consent I may proceed as in morning business.

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

CONGRATULATIONS TO THE HOUSE

Mr. SANTORUM. I want to commend the Senator from Wyoming for his continued effort to bring the freshmen here to the floor on a regular basis to talk about where this Senate is going and how we are living up here in the Senate to what the country said on November 8, and what the House is obviously very successfully doing in living up to their promises to the folks that they made when they ran for office back last year.

The first thing I want to do is congratulate the House, having voted, pretty strong showing last night, for a tax reform bill and a tax cut bill—both a tax cut bill and a tax reform bill. It is a progrowth bill, a bill that is going to create more jobs, it will help families, eliminate the marriage tax penalty that has existed—which is a tremendous break—an encouragement for people to marry, an encouragement to supporting families.

It is a bill that says to seniors that we believe seniors have value and worth, that seniors can, in fact, work past the age of 65 and earn a modest amount of money—$20,000, $15,000—and not lose your Social Security benefits, if you are age 65 to 70.

We think that that is important. It is an important sign to seniors that we understand that they have value to give to the communities and to give it their businesses, and that we do not want to discourage seniors out of the work force and penalize them at a rate of over 50 percent in taxation if they make over $9,600 a year as a senior. We think that that is a very positive thing that occurred in that tax bill last night.

The adoption tax credit provision which encourages adoption, we believe, is also a very, very positive profamily kind of tax change. And the list goes on.

I want to commend them for the great work that they did in paying for the program. It is not a tax cut that will increase the deficit. They offset it, more than offset it, with spending reductions in order to pay for the tax reductions.

That is the kind of decision that we will have to be making, whether it is, in fact, better to have a person keep their money or is it better to have a person send their money here and for Washington to figure how best to spend it, and of course take the cut for bureaucracy and write rules and regulations that make no sense, then send it back. That is the difference.

I think it is a pretty easy call for most Americans. I am not surprised that it passed over in the House, and I will not be surprised when it passes over here in the Senate.

On a larger scale, I want to congratulate the House for the great work that they have done. In 91 or 92 days they passed nine major pieces of legislation, nine major bills. The amount of work that they did in working—and I know a lot of folks around do not believe that Members of Congress and the Senate work very hard. I will say if we look at what the House of Representatives has done in this first 90 days, and the amount of hours they put in legislation in committees and in working groups and putting this stuff together to pass this kind of massive change that they promised, I think a person might think

again as to whether Members of Congress do in fact earn their keep.

Let me suggest that the most important thing—I ask this question all the time—the most important thing that came out of the House of Representatives was not the tax bill, was not the balanced budget amendment, was not the line-item veto.

The most important thing was they kept their promise. They kept their promise. They ran and they said, ''If you elect us, we will do 1, 2, 3, 4, 5, 6, 7, 8, 9, 10—we will do these 10 things. We promise you we will bring them up and we will get a vote and we will work our darndest to try to make that happen.'' They could not promise passage because you never know. But they promised they would try their best.

Do you know what? They introduced bills exactly the way it was written in the contract. They did not change it. They did not say, look, I am going to cut taxes for middle-income people and then pass a tax increase. They did not say they were going to be for a balanced budget amendment and then pass big spending increases. No, they did exactly—exactly what they promised the American public. And they succeeded on 90 percent of it.

They are batting .900. Ted Williams would be proud—.900; 90 percent of what they said they would try to do, they did.

The only one they failed on was the constitutional amendment, which as most people know takes two-thirds of the body to pass, which is well beyond the number of Republicans that there are in the House of Representatives. So: The first ever vote on term limits. They failed, but 85 percent of the Republicans supported it. They got a majority of the House to support it. It is building. It is on the track to eventually pass, probably after the next election. So I think the country should look at the House of Representatives.

One of the big concerns I had when I came to the U.S. House, 4 years now, now here in the Senate, is I think the public has lost trust in our institutions. They do not believe that we mean what we say or say what we mean; we are here and all we care about is getting reelected and having some power and being able to throw our weight around. What the public really wants does not really matter. It is just this big game down here.

Is it not nice to know that promises can be kept; that people do sometimes mean what they say? They made some hard decisions. A lot of this stuff was not easy to do. A lot of it came, as you probably heard in the last few weeks, with a lot of criticism raining down on how mean-spirited this Contract With America is.

I know it is mean to cut off a lot of bureaucrats here in Washington—that is mean—and to give that money back to you. That is very mean to the people who are here to protect the bureaucrats. I know it is mean to say people who are on welfare have to work at some point. That is terrible. It is terrible that we should require people to work. It is just unbelievable to me that argument was made on programs that were trying to help people. We are trying to give more responsibility and freedom and choices back to people, but that is the way things are in this town. If we do not keep the power then it is mean, because of course we are the only ones who actually care about people. You do not care about your neighbor, we do. You do not care about your family, we do. We care about it more than you do.

I am sitting right behind the desk of the Senator from Texas, Senator GRAMM. I will never forget a statement he made on one of these talk shows. Ira Magaziner was on and they were talking about the health care plan of Clinton's a couple of years ago and Magaziner was making the point he does care about children, he does care about the young people in this country and the folks who are uninsured. He says, ''I care for your children as much as you do.'' That is what he said to PHIL GRAMM, and what PHIL GRAMM said, I think, was classic. And that is: ''OK, what are their names? What are their names?''

You see, we all care. But do we really care about that one person? Do we really understand what their needs are? Not what ''the needs'' are, but ''their needs?'' What ''their concern'' is? See, that is the problem. We cannot deal with ''a concern.'' We deal with ''the concerns.'' The problem is ''the concerns'' sometimes do not beat ''a concern.'' And the closer we get to ''a concern'' and the closer we can tailor and allow the people who have the feeling and the relationship to deal with that concern, the better our country and the ''gooder'' our country is.

This line has been used a lot around here and it is so true, the de Tocqueville line. ''America is great,'' he wrote in Democracy In America, ''America is great because America is good.''

The people are good, they care about each other. They reach out to their fellow man. There are volunteer organizations that developed here in the 1800's and 1900's that just did not exist anywhere else in the world because Americans cared about each other and felt that relationship and kinship. And he said America is a great country because it is a good country. ''And when America ceases being good it will cease being great.'' We are ceasing to be good because we have delegated everything to this massive bureaucracy here in Washington to be good for us.

You hear the people, as you will over the next few months, get up and talk about: How can you be so mean as to not give money to—this or that. Folks, it is not my money. See, I am taking that money from somebody else who worked darned hard to make it. And who says I know best how to spend their money to help somebody else? That is the basic premise of what is going on here.

If you want to talk about the revolution that is going on, that is the basic premise. I care as much—I believe more—but I do not necessarily think I am the best person equipped to make those decisions for everybody. We can best make those decisions one-on-one, local communities and groups, as opposed to here in Washington, DC. That is the fundamental argument.

So, when you look at the first 100 days and you see what has happened in the U.S. House of Representatives, and I believe what will happen in the U.S. Senate, if you look at what we have accomplished and the hope that we have given to Americans that we in fact can change, that America, again, can be good, that America can be great, I think it is an inspirational story.

We have done something in the House—and I believe the Senate will follow—we have done something that is more important than any one particular thing, and that is, I hope, we have restored the faith that the American public used to have in their institutions. Because if they do not believe in us, if what we say is irrelevant, if they do not believe in anything we say on the campaign trail, that we are just a bunch of folks who say what we need to say to get elected—if they do not have any faith in what we stand for, if they think all we are going to do is change our minds when we get down here, then democracy itself is in danger.

If people do not believe in us anymore, if we do not stand for anything anymore, if all we are is symbols of a corrupt institution that does not respond to what the will of the public is, then democracy fails. It falls from within.

Whether you agree with what the House of Representatives has done, whether you agree 10 percent, or 90 percent, or 100 percent, you have to stand back and say ''Well done. You did what you said you were going to do. We may not like it but, darn it, you did. And you have to tip your hat to that.''

Hopefully here in the Senate, while we did not sign the Contract With America, and no one in this institution did, and that is often repeated, we have an obligation to do something. We have an obligation to follow through and let the country know that elections do matter; that when the country speaks, we here in Washington, in both the House and Senate, listen.

Mr. President, I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. THOMAS. Mr. President, I yield time to the chairman of our freshman group, the Senator from Oklahoma.

The PRESIDING OFFICER. The Senator from Oklahoma.

The PRESIDING OFFICER (Mr. KEMPTHORNE). The Senator from Oklahoma is recognized.

Mr. INHOFE. Thank you, Mr. President. I thank the Senator from Wyoming for giving me some time to talk about this.

I do not think there is any subject nor any issue in America right now that people are more concerned about than what is happening with the budget and with the deficit.

I just had an experience a minute ago with two very dear people, and I would like to deviate a little. It fits very well into this. Two of the most beautiful women in America are Yvonne Fedderson and Sara O'Meara. They started many years ago an effort to address the problem of child abuse. This blue ribbon is in recognition of Child Abuse Prevention Month that is taking place right now. Here is a bumper sticker. They started many years ago a program outside of Government to do something effectively about the problem of child abuse in America.

We saw just yesterday a bill which passed the House of Representatives that also recognizes that the problems of this country are not going to all be addressed by Government. In fact, in many cases, Government is the problem.

This particular program, which was started by Sara O'Meara and Yvonne Fedderson many years ago, has a hotline throughout the Nation. Anyone who has an idea about or knowledge of child abuse can call 1–800–4–A–CHILD.

The reason I bring this up, Mr. President, is because this is a national problem. It seems to me that in the last 40 years the very liberal Congress in both Houses has felt that you had to respond to these problems by starting some new Government program. I suggest to you that most of the programs which address the problems in the Nation today are not Government programs, they are programs in the private sector. This program is a perfect example. They have in every State and every contiguous State—and perhaps the others too—a program where people can call a hotline and do something about one of the most serious problems in America, which is child abuse.

The Government has a number of programs. But I suggest to you when you look at the effectiveness of these programs it is far more effective to have one that is run by the private sector, that is staffed by volunteers, than having one that is a Government program. Our problem is we have become accustomed to assuming that the problems can be addressed by the Federal Government better than by the private sector.

In the bill that was passed yesterday in the House of Representatives, there is a tax incentive for families to take care of their own children as opposed to Government taking care of them. There is a tax incentive—not many people are aware of this—of $500 for people to take care of the elderly. This is something that many people did not know was in that bill, which just passed yesterday. The idea is families in this country can take on a lot of responsibilities that Government has learned to assume.

I read something with interest the other day. It is an article by Thomas Sowell. Thomas Sowell is an editorial writer. The name of his article is ''A Dishonest Slogan.'' This ''Dishonest Slogan'' is the one that is called trickle down. It seems as if the liberals feel that with Government, higher taxes are the answer to our problems—and this was said, by the way, on this Senate floor by the distinguished Senator from West Virginia, Senator BYRD—that we need higher taxes in America. Then when they talk about the fact that they are giving tax reductions, they try to use slogans like ''trickle down.''

Mr. President, I ask unanimous consent that, at this point in the RECORD, this article by Thomas Sowell be printed.

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

A DISHONEST SLOGAN

(By Thomas Sowell)

If there were a prize for the most dishonest phrase in politics, the competition would be fierce and the outcome very uncertain. However, my nomination would be the phrase ''trickle-down economics.''

The trickle-down theory is supposedly the notion that the way to benefit the poor is to have the government provide benefits to the rich, which will then trickle down to the poor. But there is simply no such theory—not in Adam Smith, not in John Maynard Keynes, not in Milton Friedman. Not in anybody.

My specialty within economics is the history of economics theories—but there is no history of any such theory.

Still, no political campaign is complete without liberals accusing conservatives of applying trickle-down theories to benefit the rich, instead of having the government give benefits directly to the poor. With Republicans likely to raise the issue of reducing the capital gains tax in the next Congress, Democrats will no doubt cry that this is a ''tax break for the rich'' based on ''trickle-down economics.''

Let's go back to square one. There is no investment income to tax until after an investment has been made and people hired—and after it all works out successfully, which is by no means guaranteed. In short, the benefits to investors come after the benefits to those they employ, not before.

When investments finally pay off, perhaps years later, it would make no sense to call the eventual profit simply income for the year in which it is received. That is why capital gains are taxed differently from ordinary income.

Often there is no real capital gain at all, except on paper. If you bought an asset back when the price level was half of what it is today, and you sold the property for twice what you paid for it, then you have just kept up with inflation. If you sell it for 50% more than you paid for it, you have actually lost part of the real value.

Even when your capital ''gain'' does not keep up with inflation, the government still taxes you on it. Moreover, these kinds of ''gains'' go into the statistics supposedly showing that ''the rich are getting richer and the poor are getting poorer.''

Despite tilting against the windmills of a nonexistent trickle-down theory, the last thing the liberals want to do is to give benefits directly to the poor. They may not have a trickle-down theory, but in practice they make sure that any benefits to the poor trickle down through layers of bureaucracy and are siphoned off to pay the salaries, consulting fees and research grants of all sorts of ''experts'' with degrees.

That is why studies have shown that every man, woman and child in America could be raised above the official poverty level by direct transfers of money, at less than half the cost of all the government's antipoverty programs. Lots of people who are not poor by any stretch of the imagination have to be taken care of out of antipoverty money.

Proposals to replace public housing programs, ''retraining'' programs and other social experiments with hard cash given directly to the poor have repeatedly run into a buzz saw of opposition from liberals. They don't mind more money being given to the poor—or to anybody else—but not at the expense of programs that employ bureaucrats and ''experts.''

These anomalies are not accidental. The welfare state is ultimately not about getting more money into the hands of the poor but about getting more power into the hands of government. In program after program, the poor are to benefit only insofar as they allow themselves to be directed and manipulated by their self-anointed saviors.

When people get private sector jobs instead of government handouts, the situation is completely different. Capital gains tax reforms are needed simply to stop the government from discouraging the investment that provides employment.

It is nonsense to call this ''trickling down'' because the investment has to happen first, and workers have to be hired first and paid first, before the investor has any hope of reaping any gains. Since capital gains come last, not first, they do not ''trickle down.''

Obviously, the higher the capital gains tax rate, the less the incentive to invest and hire. If you want more Americans employed, you don't punish people for employing them. Otherwise, the investors have every incentive to invest their money in some other country that doesn't have such high capital gains taxes—or doesn't have capital gains taxes at all.

But the liberals are so politically dependent on class warfare, and on their own role as saviors of the poor, that they are very slow to admit that there wouldn't be so many poor for them to save if there were more jobs created by the economy. On the other hand, if they are not playing the role of saviors of the poor, how are they to get re-elected?

Mr. INHOFE. Mr. President, the idea is that nobody benefits from a capital gains tax or some of these tax reductions until they have actually provided a stimulus to the economy. For example, if you have a capital gains tax, the individual who will eventually benefit from that tax cannot benefit until he has already started a company, already invested his money, already met a payroll, and already hired people. What the liberals in Congress refuse to recognize is that for each 1 percent increase in economic activity in America, it produces an additional $24 billion of new revenue.

I am so sick and tired of sitting on the floor here listening to the liberal Members of Congress talk about how it did not work in the 1980's, how we tried tax reductions in the 1980's and look what happened to the deficit. Well, the deficit went up during that decade, but

it did not go up because we had tax reductions. It went up because the Members of the House and the Senate have an insatiable appetite to spend money that is not theirs and are borrowing it from future generations.

I will give you an example. Back in 1980, the total revenues that were derived from the marginal tax rates in America were $244 billion. Then, in 1990, the total revenues that were derived from the marginal tax rates in America were $466 billion. What happened during that 10-year period? During that 10-year period, we had the greatest tax reductions in this Nation's history. Remember, the highest rate went down from 70 percent to 28 percent. We had capital gains tax reductions. We had reductions all the way down so that people knew they could keep more of the money that they made. This stimulated people to invest in equipment, in company, in employment, and it did, to borrow a phrase that is often abused by our President, it did ''grow America.'' So we almost doubled the revenue during that 10-year period when we had the largest tax reduction.

I would like to mention one of the things that I told the Senator from Wyoming, Senator Thomas, that I would make a reference to; that is, the moral issue that we are dealing with right now. I gave a talk not long ago where I had the pictures of two beautiful children on an easel behind me. Those two beautiful children I identified in the first hour as being my two grandchildren, Glade and Maggie. Each of them will be celebrating their second birthday this month. They are beautiful little children.

When people talk about the programs they say are going to be cut when we have passed a balanced budget amendment—and we will try to reach a balanced budget—and they try to pull on the heartstrings of America and say that all these great, wonderful Government social programs are going to be cut, they neglect to tell you who is really going to be punished by these programs, who is really going to be punished if we do not do something to bring the budget into balance, which we are going to do. And I do not want to sound partisan here, but by Republicans taking over the House and the Senate, you are going to see some cuts. You are going to see come growth caps. But you will see our budget come back into balance, and we are targeting right now the year 2002.

Let us look at what is going to happen if we do not do this in America. According to the CBO and all the other analysts, where are we in America today if we do not have some type of a change in the program that we have had? They have said that, if we continue to go on as we have gone in the past, if we do not pass a balanced budget amendment, if we do not bring it into balance, that a person who is born today, during his or her lifetime, will have to pay 82 percent of his or her lifetime income for taxes to support the Government programs. Stop and think about that.

The other day, we had an interesting visitor. We had a number of visitors from all over the world. This was during the National Prayer Breakfast. We had people from all over the world there. I was in charge of a group of the national visitors from the Ukraine, from Eastern Europe and some of that area. One man was here from Moldavia. He asked me a very interesting question. He said, ''Senator INHOFE, here in the United States, how much can you keep?''

I said, ''Pardon me? I do not understand what you are saying.''

He said, ''Well, when you earn something, how much do you have to give the Government?''

I said, ''Well, that is a real interesting question.'' I kind of established a guess because there is not really a very simple answer to that question when you stop and think about what the Government really absorbs.

But he said, ''We are celebrating in Moldavia. We are so thrilled that finally, after all these years of communism, we now have a free economy. We now have a free society. We now can own property. We now can buy businesses and we can work hard and pass on to future generations that which we reap.''

I said, ''In your country, how much do you have to give the Government?'' He said, very proudly, ''We get to keep 20 percent.'' I said, ''How does that work?'' He said, ''Well, when you earn money, if you earn a dollar, you have to give 80 cents of that dollar to the Government.'' They do not wait until year end, Mr. President. This is something that is ongoing. And then we looked around at each other and thought, here are these people, seeking their freedom, so excited about this, they are all through with communism, and they can benefit and they can enrich themselves and future generations and how happy they were, and yet they have to give to Government 80 percent of what they have.

Mr. President, that brings it really to the surface of where we are today. If we do not do something to change this path, we will be behind Moldavia. It will cost our future generations 82 cents on the dollar.

So I would like to think that this is not a fiscal issue. It is a moral issue. We are going to see in the next few weeks the Republicans coming out in the House and the Senate with a program, with a budget, a proposed budget that would eliminate the deficit by the year 2002. I disagree with the way we are doing it. I hate to be the one who disagrees with my own party. I have talked to different people who are on the Budget Committee, and I say I think we are making a mistake when we come out with a budget and say exactly where we are going to cut programs, where we are going to expand programs. Why not do what we know would work? Let us put spending caps on. If we initiate a resolution that says we are not going to let any Government program increase more than 2 percent, we would not touch one program, not have a reduction in one program, not have elimination of one program, and we would be able to balance the budget by the year 2002.

That is because—and most people do not realize it and you are not going to hear it said by a lot of the liberals here in Congress—our problem is not where to cut programs but how to stop the accelerated growth. And when you hear people like the President standing up and saying proudly, ''We are cutting the deficit,'' that is garbage.

There is an article everyone should read. It was in the Reader's Digest last year. It was called ''Budget Baloney.'' And in it they described how Members of Congress say they are cutting the deficit. They described it this way: They say let us say you have $5,000 but you want to buy a $10,000 car. All you have to say is I really want a $15,000 car, but I will settle for a $10,000 car and I have cut the deficit by $5,000.

That is the way they do things around here.

Let me suggest to you that there is going to be a come-home-to-roost time. There is going to be a time when these individuals who have habitually voted for expanded Government into our lives and are not a part of the revolution of November 8 are going to have to come back and take the consequences.

I would like to show you just two charts that we put together back when we were debating the balanced budget amendment to the Constitution.

This chart shows the characterization of those Members of the Senate who were voting for an amendment called the Right To Know Act. Now, what this was was an amendment to the balanced budget amendment to the Constitution, and it said show us exactly where you are going to cut every program. Obviously, you cannot do that 7 years in the future. But we analyzed the voting behavior of the 41 Senate cosponsors of this bill. We find that every one of them voted yes on the $16 billion President Clinton tax stimulus program which was the largest increase in spending that we have had in one bill, I believe, in the history of the Congress; that every one of the 41 who had signed on as cosponsors to this amendment was ranked by the National Taxpayers Union as either a D or an F. In other words, the people who were behind this were the people who were the big spenders in Congress.

Then the most revealing chart is the one that shows what is going to happen to a lot of these people by showing what did happen to them in the revolution of November 8.

On November 8, there were either defeated or retired in the Senate eight Senators. Of the eight Senators, all eight voted for the spending increase. This was the spending increase that put all kinds of subsidized programs in

there, supposedly to stimulate the economy. All of them voted for the tax increase. The tax increase was the 1993 tax increase that President Clinton had. It was characterized as the largest single tax increase in the history of public finance in America or any place in the world, and those are not the words of conservative Republican JIM INHOFE. Those are the words of PATRICK MOYNIHAN, who at that time was chairman of the Senate Finance Committee.

Further down here they all had either D or F ratings by the National Taxpayers Union. In other words, they were the big spenders, and those are the ones who were defeated. They are not here. Look around. They are not here.

In the House of Representatives, 66 of them went out. Almost all of the 66 voted yes on the stimulus bill, voted yes on the tax increase, and had a D or F rating by the National Taxpayers Union.

So I just suggest to you, Mr. President, that we make it abundantly clear to the liberals in Congress, the few liberals who are left, because most of them were wiped out in the November 8 revolution, there is going to be another wave coming up in 1996, and this is the opportunity for us to be fiscally responsible, for us to be able to stand up and say no to some of these useless programs that have outlived their usefulness and say yes to future generations, including my two grandchildren, Glade and Maggie Inhofe. This is what is going to work for America, and this is probably the centerfold of the revolution of November 8.

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

The PRESIDING OFFICER. The clerk will please 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 understand that the parliamentary situation is that we are in morning business; is that correct?

The PRESIDING OFFICER. Technically speaking, the Senate is on H.R. 1158.

Mr. LEAHY. Mr. President, if no one else is seeking recognition, I ask unanimous consent to proceed as though in morning business.

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

REMOVING THE ANTITRUST EXEMPTION FROM MAJOR LEAGUE BASEBALL

Mr. LEAHY. Mr. President, yesterday the Senate Subcommittee on Antitrust, Business Rights and Competition of the Committee on the Judiciary voted out S.627, the Hatch-Thurmond-Leahy bill clarifying the application of our antitrust laws to major league baseball.

What we did was to remove the antitrust exemption given to major league baseball. I hope that the full Judiciary Committee, the Senate and the other body will take this up and pass it relatively soon.

Baseball has for decades had a special exemption from the antitrust laws, which laws apply to everything else, every other business in this country and every other professional sport. What this means is that baseball and those who own it and run it are basically above the law.

Now they have shown what this means. They have shown great disdain for the fans, for those who do not make the $1 million salaries, like the people who park the cars, that sell peanuts and beer and hot dogs and soda at the various stadiums, for the communities that have taxed their people through bond issues to build stadiums, for those who make the pennants and the T-shirts and the baseball caps, and even, in the State of Vermont, those who make the souvenir bats given out on bat day. Such people have been out of jobs over the past year because of the baseball strike.

And throughout all of this, people, some acting in extremely high-handed fashion, are able to say, ''Well, the fans be damned. Because we have this exemption from antitrust, we can act together. We can do whatever we want.''

The antitrust exemption was provided for baseball on the assumption that those who control baseball would act in the best interest of the game and the best interest of the fans, would do it responsibly and that we would have a strong commissioner. The practical matter is they have done none of this in the last few years.

I recall testimony in a hearing that Senator THURMOND and I had in which the question was asked: Let us assume baseball did not have an exemption from the antitrust laws and let us assume we saw the situation, the sorry situation, we have seen for nearly a year in baseball. If the owners came in and said, ''Oh, by the way, Congress, give us something you have not given any other business. Give us an exemption from the antitrust laws.'' Would they not be laughed off Capitol Hill? Of course, they would.

Republicans and Democrats alike, both in the Senate and the House, would say, ''We are not going to give you that. We are not going to give you this special exemption from the antitrust laws that we don't give to football or basketball or General Motors or Dow Chemical or Monsanto or Apple Computers or anybody else. We are not going to give it to you. And especially we are not going to give it to you because of the way you have been acting.''

We would not pass a statutory exemption, and I daresay, Mr. President, there would not be one Member of the U.S. Senate that would vote to give them an antitrust exemption today, yet they have it.

So, I hope, by the same token, everyone in the Senate will join with Senator THURMOND, Senator HATCH, and myself—an interesting coalition, if ever there was one—and would withdraw the antitrust exemption. It is not deserved by baseball. It should not be continued for baseball. They should be treated as anybody else.

Their behavior in the past year has shown why they should not have that special exemption, if they ever really deserved it. But whether they have deserved it or not, they have now lost it. We should take it away.

So, Mr. President, I hope that this legislation will work its way through the committee process fairly quickly, come to the floor of the Senate, and be voted upon.

I have watched some of the activities of the baseball teams, I mean things that are so petty, so petty. For example, the way they treat Little League teams.

When I was a youngster and when my children were, the idea was, if you had a Little League team, you built up some following for various teams. You proudly wore the logos of a team—the Red Sox, the Yankees, whoever else it might be.

Now they say: ''Well, we will require each one of those children to pay us $6 for the privilege of having their logo on their uniform.'' This is just penny-ante baloney.

What it does, it says, ''We expect you to be fans supporting us, but, kid, you're going to pay for it.''

I recall as a child being at Fenway Park and seeing some of the greats of baseball come by. If you held out a baseball, they would autograph it for you. And they were paid a tiny fraction of what is paid to these multimillionaires today who tell you, ''Yes, you can come in and for x number of dollars we may give you the autograph.'' This is spoiling the whole idea of baseball.

So, as I said, Mr. President, we ought to lift their antitrust exemption. They do not deserve it. They never really earned it in the first place, and they have done nothing to keep it today. Let us get rid of it. Let us treat them as the business they have become and let us stand up for the fans for a change.

I have seen a situation in the hearings where even the acting commissioner of baseball in his testimony tried to mislead the Senate; gave conflicting testimony, gave testimony that turned out not to be true; and did not move to correct his testimony. This is the kind of disdain that they show for the Congress.

Well, then let us not give them the exemption to the laws. You can have disdain for the laws, you can have disdain for the game, you can have disdain for your own responsibilities, you can have disdain for your own fans, but we are not going to give you a special

exemption under the law to carry out that disdain.

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

The PRESIDING OFFICER. The clerk will please call the roll.

The legislative clerk proceeded to call the roll.

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

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

BUDGET BALANCING IS A THREE-STEP PROCESS

Mr. KYL. Mr. President, I wanted to comment on two things, one which has just occurred and one which is about to occur, I hope. We know that last night the House of Representatives passed historic tax relief for the American people. I want to address that for a moment.

Second, we know there have been discussions between the majority and minority leader on an attempt to reach an agreement on a rescissions package which we could conclude before the Easter recess.

Mr. President, the House of Representatives adopted a rescissions package of about $17 billion and the Senate has been working on a package somewhat less than that. It is our hope between the majority and minority we can come to an agreement on a package which would represent our effort to meet the House, if not precisely their figure, at least something close to it so that as the House and Senate take the recess during the Eastertime, our constituents back home would know that both the House and Senate were serious about saving money.

Mr. President, during the last campaign, as I was running for this office, people asked me what it would take to balance the budget? I said it is a three-step process.

The first thing we can do is immediately try to save some of the money that the Congress has already appropriated. We know that every year there is money appropriated that really cannot be spent very effectively. If we could make a head start on balancing the budget by just saving some of that money for next year, it would demonstrate our commitment to a long-term goal of balancing the budget.

That is what the rescission package is about. I will come back to that in a moment. The second step, of course, is the decisions that we make throughout the year for that year's budget. The third step, of course, is the long-term balancing of the budget process which I have contended can only be done effectively through the adoption of the balanced budget amendment, because without the discipline of the constitutional requirement to balance the budget I have always felt it doubtful Congress would actually develop the willpower and the commitment to see that difficult project through.

Those are really the three steps that I articulate.

In the second step, what I had said was each month throughout the legislative year we deal with legislation that spends money. We can make the conscious decision not to spend as much, to limit Federal spending. When it comes time to appropriate the funds, we can set priorities and we can end passing appropriations bills that limit the growth in Federal spending.

Mr. President, we have heard the figures that if we adopt a tax relief plan for the American people we can still balance the Federal budget by the year 2002 if we limit growth in Federal spending to 2 percent a year. We are not talking about draconian cuts, but talking about limiting the growth in spending.

So the first step is to try to save money that we do not have to spend next year through a rescissions bill. The second step is to make the tough additions each week, each month, as this year goes by, as we pass the appropriations bills, to spend less money than we had anticipated spending.

If we do that each year for 7 years, we will have achieved a balanced budget by the year 2002, without the need for a constitutional amendment.

We know that would provide more discipline, would give the Congress a better ability to control spending, but we will deal with the issue of the constitutional amendment later this year and probably next year.

Let me go back to the first of those three steps, the rescission package, because that is what has been before the Senate for the past week.

The idea of rescissions—not a term that the American people would necessarily relate to—but the idea of rescissions is to simply not spend money that we counted on spending, because we really do not have to spend it.

Here is an example: We appropriate money to the General Services Administration to build a building. We say it will cost $2 million, so here is the money for it. GSA lets out the bids but none of the companies that would bid on it gives the GSA a bid they want to accept. The bids do not supply the right kind of construction or architect or something.

So the GSA does not let the bids for the contract, so the contract is delayed a year. That $2 million which has been appropriated for next year, really, cannot efficiently be spent next year. The construction project on which it was supposed to be spent cannot be built.

Why should we force the GSA to spend that money on something? We can rescind the money. We can call that money back, and save it for this year, and either decide to apply it to deficit reduction or apply it to some other expenditure for next year.

There are a lot of different programs that we have been talking about rescinding money in. The net result has been an agreement that somewhere between $13 or $14 billion and $17 billion, we can save the American people—taxpayers—that much money in this coming fiscal year because we really do not need to spend that money even though the money has been authorized to be spent.

Now we have had some disagreements in the Senate about whether we should agree to the House level of $17 billion. There has been some disagreement between the Democrats and Republicans as to where to save that money.

I am hopeful that within a few minutes the majority and the minority leader will announce an agreement which represents not totally a Republican view or a Democratic view but a view that both share, that we need to save as much money as possible.

While it will not get to the $17 billion level that the House of Representatives has adopted, it will be close to that. It will be in the range of $16 billion, I hope, and that we will then be able to quickly adopt that rescissions package, go into conference with the House so that as soon as we return from the Easter recess we can send to the President savings of between $16 and $17 billion.

Some people have said, why are we taking time to deal with that problem when we have a much bigger problem of developing a budget of over $1 trillion? Beginning the process of reducing Federal spending over a period of 7 years to reach a balanced budget, perhaps in the order of magnitude of $1 trillion over the 7-year period.

What is $17 billion? Well, we have all quoted Everett Dirksen, who use to speak in this Chamber, and who made famous ''A billion here and a billion there, pretty soon you are talking real money.'' To the American people, $17 billion is a lot of money, and it is a very good downpayment on the savings that we have to make in the future.

Because of the consternation I have seen expressed on the floor here about some of the savings even within the $17 billion package, it makes it clear to me that it will be a very hard process if we cannot agree to some of the things that are in the $16 or $17 billion package, how will we agree to something 10 times greater than that or 100 times greater than that?

Clearly, we have to start from the bottom up. Each program has to be prioritized, and we have to try and find savings everywhere we can. In each line of that Federal budget, there is something to be saved. When we add it all up, it adds up to big dollars.

If we only look to the big programs, then we are forced to look at things like Social Security and Medicare and defense. Frankly, most Senators understand that there is much about those programs which precludes the Senate from making the huge savings that would have to be made there if we ignore the smaller programs.

It is important to start at a level of rescissions. I am very, very hopeful that within a few minutes our leadership will indicate an agreement on a

rescissions package of $16 to $17 billion that we can adopt, and begin this process of balancing the Federal budget.

Just one more comment, since I see the Senator from Alaska is here and wishes to speak. I wanted to comment on what the House of Representatives did last night. It was historic, Mr. President. Never in the history of the country has a body as the House of Representatives in less than 100 days adopted the sweeping legislation that the House of Representatives has now adopted. Nine out of the 10 points in the Republican Contract With America were adopted, concluding last night with the historic $180 billion-plus tax cut for the American people. A tax cut which guarantees not to cost in terms of the deficit but has added to the deficit reduction planning.

In other words, the House committed to reducing the Federal budget deficit and achieving a balanced budget by the year 2002, and in addition, providing for $180 billion in tax cuts for the American people.

This is in keeping with the commitment that many made in the last election to our constituents and to the desires of the American people expressed to Members in the last election.

I want to commend the House of Representatives and all of the people there who thought it important enough not only to express the intention to balance the budget but also to allow American families to keep more of what they earn and to allow American businesses to generate the capital, to create the jobs to employ the people, to create the kind of employment that we know is necessary to bring people out of poverty and create a high standard of living for working Americans, for all of middle America.

This is an important commitment that needed to be kept. And it is up to the Senate, after we return from the Easter recess, to follow through on our part of that commitment. Our tax cut program may not be precisely what the House program was. It might be a little bit less, in terms of money. We know that there is a little bit different point of view here.

I, for one, would be happy to adopt every penny of the tax cuts adopted by the House of Representatives. To me, every one of them is justified and I will be urging that we do that here on the Senate floor. But even if it is not exactly identical, I think we can be proud and we can go back to the American people and say we kept our promises to you, we kept our commitment, if we are able to adopt a program of tax relief that is close to what the House adopted last night.

I think it is important for us in the Senate to say to our colleagues in the House, ''Job well done. You did what you promised you would do. You set the stage for us to come in behind you and to finish the job and we are committed to doing that when we return from this Easter recess.''

I think, as we prepare to go back and spend time with our constituents, much has been achieved. We should be prepared to talk about that. But most important—most important we should be prepared to listen to our constituents when we go home now, to listen for 3 weeks to what they have to tell us. Have we been doing the right thing? Do you want us to continue on this path? My guess is, when we come back, we will be energized with the spirit of our constituents telling us to carry on, keep on with that fight, balance the Federal budget, save this money in rescissions and provide tax relief for American families. I think that will be their message to us. I cannot wait to get back and hear it.

Several Senators addressed the Chair.

The PRESIDING OFFICER (Mr. FAIRCLOTH). The Senator from Alaska is recognized.

Mr. MURKOWSKI. Mr. President, let me commend my colleague and a number of the freshman Senators for their initiative in pursuing appropriate action relative to cutting Federal spending. While I have been around here a little longer than they have, I think their energy and commitment is to be recognized, and I think the spirit of leadership in relationship to the tough decisions that have to be made are certainly evidenced in this new group that has joined our membership.

I believe we are in morning business?

The PRESIDING OFFICER. Technically, we have before us H.R. 1158, FEMA supplemental appropriations.

Mr. MURKOWSKI. I ask that I may extend my remarks concerning an invitation to allow the President of Taiwan to visit the United States. I assume under the rescission package before us, unanimous consent would be sufficient?

The PRESIDING OFFICER. That is correct.

Mr. MURKOWSKI. Mr. President, I had intended to offer an amendment to the rescission package which would express the sense of the Congress that the President of Taiwan, Lee Teng-hui, be allowed to visit the United States.

It is my understanding it is unlikely that I will have an opportunity to offer such an amendment. But I intend, at an appropriate time in the near future to offer the amendment to another vehicle and request an up or down vote.

The amendment I intended to offer would have been identical to Senate Concurrent Resolution 9, which has 52 bipartisan cosponsors, including, I am proud to say, both the majority and minority leaders of this body. Senate Concurrent Resolution 9 passed the Foreign Relations Committee unanimously 2 weeks ago.

Specifically, that resolution calls on our President to allow President Lee of Taiwan to come to the United States, not on a state visit but on a private visit. It is an identical resolution to House Concurrent Resolution 33, which was introduced in the House by Congressmen LANTOS of California, SOLOMON of New York, and TORRICELLI of New Jersey. It passed the House International Relations Committee yesterday, I am told, by a vote of 33 to 0.

Obviously, the support is there. I hope the State Department will be sensitive to the recommendations of the Congress.

We have a rather interesting situation with regard to our relations with Taiwan, as well as China, but clearly we should not allow the People's Republic of China to dictate who can visit the United States. Again, we are not talking about an official state visit; we are talking about allowing President Lee to make a private visit. He has received two invitations that the Senator from Alaska is aware of. One is to come visit his alma mater, Cornell University, where he has been asked to make an address. Further, he has been extended an invitation to the U.S.-ROC Economic Council Conference. This is an organization whose purpose is to promote trade and commerce between Taiwan and the United States. That organization will be meeting in Anchorage, AK, my home State, in September.

In both instances, the State Department has discouraged the issuance of these invitations and implied that they would not look favorably on a request for a visa.

That is offensive to this Senator. The suggestion of the State Department is that allowing President Lee to visit the United States would upset relations with the People's Republic of China. I think we have to recognize the gigantic strides that have been made by Taiwan over the years. They ended their martial law. They have initiated free and fair elections. They have a very vocal press. Human rights have steadily improved. They have the development of a strong second party. And Taiwan ultimately is a friendly, democratic, stable, and prosperous nation. They are the 5th largest trading partner of the United States, and the world's 13th. They buy twice as much from the United States as the People's Republic of China. They are among the holders of the largest foreign reserves of any country. They contribute to international causes.

But our country continues to give a cold shoulder to the leader of Taiwan, President Lee. It went so far that last May in Hawaii when President Lee was in transit from Taiwan to Central America, the State Department refused to allow President Lee an overnight visit. The State Department continues to indicate that a private visit will not be allowed. They suggest that the United States would allow transient stops. That means perhaps the airplane can stop for refueling and President Lee would be allowed to get off and perhaps spend the night.

One of the inconsistencies I would like to bring out—and this came up on a recent trip I made to both Taiwan and Beijing—is the expanding relationship between Taiwan and the People's

Republic of China. I learned of an organization called the Association for Relations Across Taiwan Straits. That is the organization in Beijing. On the Taiwanese side, there is the organization called the Mainland Affairs Council.

Although the People's Republic of China is telling the United States not to have any relations with Taiwan because it would offend the People's Republic of China, there is a relationship between Taiwan and the People's Republic of China through these two organizations that have been established and that meet regularly. The Association for Relations Across Taiwan Straits and The Mainland Affairs Council talk about everything but politics. They talk about trade, they talk about commerce, they talk about hijacking.

I think it is fair to say the Chinese business men and women are among the best in the world. They are motivated, obviously, by the opportunity for trade and commerce. So they are discussing between them matters of interest and matters that are beneficial to both. They have even announced proposals for direct shipping from Taiwan to the southern provinces in China that would bypass Hong Kong.

Here we have a situation of inconsistency, and it is beyond this Senator to understand how the State Department can overlook that. Trade and commerce is flourishing between Taiwan and the People's Republic of China, yet the People's Republic of China dictates to us that we cannot extend a private visit to the President of Taiwan.

I have a great respect and fondness for their representatives.

I know the Ambassador. I have had the pleasure of meeting Chairman Deng. But the People's Republic of China bellows about virtually everything that we do— United States pressure at the United Nations on human rights, world trade organization membership and anything we do with regard to Taiwan. That is the litany. It is expected. We should recognize it for what it is. But we should not be dictated by the terms and conditions which they mandate.

In my opinion, in the end the People's Republic of China will make calculations about when and what to risk with regard to their philosophy of doing business and participating in our markets. We should simply do the same.

There is precedent for a visit by Lee. I will be specific. This administration has welcomed other unofficial leaders to the United States. The Dalai Lama called on Vice President Gore over the objections from the People's Republic of China. Yasser Arafat came to the White House ceremony. He was once referred to as a supporter of terrorism. Gerry Adams has been granted numerous visas over Great Britain's objection. In each case the administration, I think, made the correct choice to allow us to advance American goals. President Lee's visit would do the same.

I would also call my colleagues' attention to the extended debates we have had in this body about most-favored-nation status for China. I have supported MFN for China, and most of my colleagues have also supported it under the premise that engagement helps bring about change. We can bring about greater recognition on human rights if we establish a dialog, open trade, and commerce. So we apply it to China. But with regard to Taiwan, we will not even invite the President of the Republic of China on Taiwan for a visit to the United States. This is a private visit. We are not talking about a state visit.

By the number of supporters on the amendment, 52 bipartisan cosponsors, the State Department should get the message of the prevailing attitude in this body. As I said when I started, I am not going to have an opportunity to offer this as an amendment before this body on the rescissions package. But I intend to bring it up later for an up-down vote because that is perhaps the only way the State Department can understand the prevailing attitude.

Finally, the U.S.-ROC Economic Council conference is to be held in Anchorage in September. Visiting Alaska would not be a political statement. We consider ourselves almost another country. We are out there all by ourselves and I think it is appropriate that President Lee participate in an economic meeting. Lee's alma mater, Cornell University, as I indicated earlier, is another completely private matter.

So I call on my colleagues to vote to send a strong signal to the administration at an appropriate time when I have an opportunity to bring up the amendment.

I also ask unanimous consent that a letter be printed in the RECORD. This is a letter from David W. Tsai, President of the Center for Taiwan International Relations.

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

CENTER FOR TAIWAN
INTERNATIONAL RELATIONS,
Washington, DC, March 15, 1995.

President WILLIAM J. CLINTON,
The White House,
Washington, DC.

DEAR PRESIDENT CLINTON: I am writing to urge you to demonstrate your Administration's support for global democratization by permitting President Lee Teng-hui of Taiwan to visit the United States. In particular, you should allow President Lee, a distinguished Ph.D. alumnus of Cornell University, to visit his alma mater this summer, where he has been invited to give the prestigious Olin Lecture to over 2,000 returning Cornell alumni all over the world. He should also be permitted to address the Economic Council meeting in Alaska as an honored speaker later this year. Such visits are well-provided for within United States policy toward Taiwan. In addition, the Administration should take advantage of President Lee's visit to the U.S. by granting him an audience with yourself.

President Lee, a political reformer, has significantly advanced democracy in Taiwan. He is committed to the further democratization of the island nation—a process which has been encouraged and prodded along by the United States Congress and six different administrations. He has played a central role in the Taiwan model that so many nations are now seeking to emulate. Today Taiwan is an emerging democracy and an economic powerhouse. Yet while Taiwan has made great strides in response to the calls for reform and has achieved international economic distinction, the United States has continued to treat Taiwan like an international pariah. Many Members of Congress and the American public were outraged last May at the Administration's refusal to allow President Lee to stay overnight in Hawaii en route to a presidential inauguration in Central America. It undercuts American credibility and concern for human rights when a country like Taiwan with its strong democratization record is treated so badly.

It is in the American national interest to allow President Lee to visit. In so doing, America will reaffirm its commitment to freedom and democracy and to friendship with the people of Taiwan. We cannot continue to let China dictate U.S. policy or determine who can and cannot visit the United States. It weakens the Clinton Administration and compromises the U.S. world leadership to allow even the appearance of taking orders from Bejing or being bullied by China.

As you know, President Lee's visit has strong bipartisan support in both Houses of the U.S. Congress. Having visited Taiwan three times yourself, you undoubtedly recognize Taiwan's strategic importance to maintaining the balance of power in East Asia. Also, Taiwan is important as a friendly partner of the United States, particularly in trade, education, and diplomacy. Today Taiwan is the seventh largest trading partner of the United States and buys more than twice as many annually from the U.S. as does the People's Republic of China. Both the Taiwanese American community and the American business community will support your favorable decision to permit President Lee's visit. A visit to the U.S. by the President of Taiwan is not only in America's national interest but in line with the democratic traditional values that the United States stands for.

Congressional and grass roots support for President Lee's visit is building, and I urge you to take immediate steps to welcome President Lee to the United States.

Sincerely,

DAVID W. TSAI, Ph.D.,
President, Center for Taiwan International Relations.

This letter is also endorsed by the following Taiwanese American organizations:

World Taiwanese Chambers of Commerce (President: Jentai Tsai), N.Y.

Taiwanese Import and Export Association (President: Wen-chu Huang), N.Y.

North America Taiwanese Medical Association (President: Bernard Tsai, M.D.), Potomac.

Taiwanese Christian Church Council of North America (Chair: Rev. David Chen), Santa Ana.

Taiwanese American Citizens League (President: David D. Tsay, Ph.D.), Houston.

Society of Taiwanese Americans (Representative: Wilbur Chen), Bethesda.

Mr. MURKOWSKI. Mr. President, I see my good friend, the Senator from West Virginia, on the floor. I would be happy to yield to him.

Mr. BYRD. Mr. President, I thank the distinguished Senator. I have no desire to have the floor. I thank the Senator.

Mr. MURKOWSKI. I wish my friend a good day and thank him.

MEXICO'S DEBT

Mr. MURKOWSKI. Mr. President, let me speak very briefly about another amendment that I was prepared to offer. But, again, because of the circumstances on the floor, it is not going to be presented. It is an issue that is ongoing. I would like to speak briefly on the merits of the issue, although, as I have said, the amendment will not be offered.

This was to be a very simple and very straightforward amendment. It would require the Government of Mexico to provide our Government with information relative to the names of the individuals or institutions that are redeeming Mexico's debt when the redemptions are made with the funds provided by the United States Government. As my friend in the chair, the Presiding Officer, will recall, this package is almost $52 billion.

It is the contention of the Senator from Alaska that is a bailout that has been crafted by the United States through the Treasury Department. It is my understanding that Mexico has already used some $13 billion to pay off the debt, of which $5 billion initially has come from the United States. Another $15 billion of American taxpayer money is at risk. That is money that came from the Exchange Stabilization Fund that was set up when we went off the gold standard.

We are all aware of the fact that the administration came to the Hill to seek support for the Mexico bailout. But they could not get our support and decided that they would find another avenue to bail out Mexico. And they came up with the $20 billion that is in the Exchange Stabilization Fund, the International Monetary Fund, the Bank for International Settlements, and others and the commitment now is some $52 billion.

It is rather interesting to reflect on that because the Senator from New York and I had a colloquy some time ago. And both our recollections are that the current debt of Mexico, as communicated by the assistant to the President of Mexico at a meeting we had, was in the area of $70 billion. The current debt is debt payable in a year. This debt is to meet an obligation issued by the Mexican Government in the form of bonds. These are bearer bonds. That means we do not know who holds them. It is like a check payable to cash.

The question my amendment attempts to address is who is being bailed out? Is it the Mexican people? Is it Mexican financial institutions? We have not been able to get a definitive answer from the Department of the Treasury. It is my opinion that the ordinary citizens of Mexico are not being bailed out. In fact, the ordinary citizen of Mexico is currently facing interest rates that are clearly out of reach, in some instances 75 and 100 percent. Mortgage rates are absolutely unrealistic. The reality of lost jobs, higher taxes, higher inflation, and when we look at the obligation of who pays this back, we find it is the citizens of Mexico. It is the economy of Mexico.

Businesses operating in Mexico are not being bailed out by this commitment, which is the first advance of some $52 billion. Mexico has already used $13 billion to pay off the debt which comes from the United States; hence, the United States taxpayer.

Companies that have put brick and mortar in the ground for new plants and employ Mexican citizens are not the beneficiaries of this money. In fact, they are suffering from the havoc caused by the interest rate explosion. They cannot borrow for inventory. They cannot borrow for expansion. American mutual fund investors—let me repeat that—American mutual fund investors whose funds invest on the Mexican Bolsa are not being bailed out. In fact, these equity investors have seen the value of their holdings drop more than 50 percent, and in some cases the loss of these stocks are even larger. So the questions are, Well, where is this money going? Who is it going to benefit?

Mr. President, you know who is being bailed out. So do I. The owners of the so-called tesobono debt. Most people do not even know what a tesobono is. In fact, this debt really did not exist a year ago. It is the Mexican debt which, when it comes due, is paid in pesos.

It is rather interesting how the financial intrigue of this adjustment occurs. However, the important thing to recognize is the amount of pesos that the debt-ridden holder receives at maturity is linked to the peso-dollar exchange rate. Mexico, unfortunately, made a decision to issue this type of debt early last year because it was finding it more and more difficult to attract more investors to finance its debt.

That sounds rather curious, does it not, that they have to have foreign investors to finance their debt? Yet that is the reality that Mexico faced. Canada has to have foreign investors to finance its debt. I noted the other day a figure which indicated that 29.6 percent of the Canadian budget was to pay interest on the debt. That is almost a third. When you get into that area, the ball game is almost over. It is almost over.

Now, the foreigners, of course, in order to invest, when they see a situation that is less than stable, demand higher interest rates, and they demanded as much as 20 percent from Mexico. Not only that, but that demanded that the debt be linked to the peso/dollar exchange rate.

These are very shrewd investors, Mr. President. They know that money goes to the highest return and the least risk. And they must have foreseen that the peso could be devalued, and they wanted to ensure that they would suffer no currency risk.

That is exactly what happened, Mr. President. The peso went from 3.5 to the dollar to 6.5 in barely 2 months, and now that this debt is due these investors are completely insulated from the financial crisis that is affecting all other sectors of the investment community and the working community in Mexico.

One asks the question why? It is because the United States Government has decided to give Mexico these billions of dollars to pay off these investors. Now, who are these investors? As I said, they are sophisticated investors. They are the investors who went out there and took a risk because the attractiveness of 20 percent interest suggested that risk was worth taking. These are not the ordinary Mexican people.

This was done because the United States Government has decided to give billions of dollars to Mexico to pay off these investors. If we had not come to the rescue, then these investors would have had to suffer the financial consequences that everyone else in Mexico must face. Why should these investors be bailed out? We do not bail out the investors who put money in Orange County bonds. Why are these investors in Mexico so very special?

One of the reasons, obviously, we do not know who they are. That makes them special. We know who the investors are who bought Orange County bonds. Who bought these tesobonos? We do not know. They could be American investors, Japanese or German investors, they could very well be some of the billionaires who live in Mexico City and are friends of the controlling PRI party.

What we do know is that whoever owns this debt is really cashing in, and they are shipping their money where? They are shipping it out of Mexico. In fact, so many tesobono owners were immediately converting their proceeds into dollars that the peso began to crash above seven to the dollar, and then the Mexican Government decided to stop paying off tesobono debt in pesos and immediately paid the debt in dollars. Where did the money come from? It came from the United States. Whose dollars are they using? They are using U.S. taxpayer dollars. We are bailing them out. Why? We are being told it is to stabilize the monetary and currency system.

That is what we are told. If you buy some shares on the New York or American Stock Exchange and lose money, we do not bail you out.

But if we had not bailed out the bond holders and the Mexican Government, what would they have done? They would have done as everybody else who runs in to credit problem. They sit down and work a deal out. You know you cannot get 100 percent back on the investment. You might get 40 percent. But that is the way the process works

in the ordinary debtor/creditor situation. Then we would know who the holders of the tesobono debt are. They would have to come forth, submit their bearer bonds through investment brokers, commercial, international banks. We would know who they are and they would sit down and work out a deal. That is what should have been done.

I believe it is important that the American taxpayers know who the recipients of this debt are. Some have said, what difference does it make who they are? I think it is important when American taxpayer money is used to provide a guarantee on a foreign government debt to a very select group of holders of debt. Not only are they going to get their principal back; they are going to get the interest back—20 percent.

You and I, where do we go to get 20 percent? I do not know. Maybe you get in line down there and buy some tesobonos. But we ought to know who the beneficiaries are because we know that it is not the Mexican economy that is the beneficiary. This is not going to do a thing for the Mexican economy. Those holders of that debt are moving that money out of Mexico. Yet, the Mexican economy, the Mexican citizens are expected to pay it back. In the conditions that exist in Mexico that is unlikely to occur.

Now, many of my colleagues make the point that we cannot indicate that we are supporting a process and then not follow it through. The problem with this sales package, Mr. President, is we did not understand it in the first place. We were told continually we were going to stabilize the Mexican economy. What we are doing is paying off the debt of sophisticated investors who bought those tesobonos who are standing in line to get United States dollars and will bail out and they are not going to put that money back in Mexico.

There are assumptions that a large portion of this debt is held by Americans, yet the Treasury Department claims that these bearer instruments are of a nature where they do not know who owns the debt.

I do not know who controls the debt. But what if we found out that $5 billion of the debt was owned by the Bank of Libya or maybe the debt was owned by an investment house operating as a front for the Government of Iraq or Iran. Would not the taxpayer be curious? Do we not have an obligation as we sign off on this money as a Congress to know who those recipients are? Is it too much to demand that when American taxpayer dollars are used by the Government of Mexico to pay off an investor or speculator the identity of that investor or speculator be known? Because again, we are being told that this has to happen to solidify the economy of Mexico. It is going to solidify the holders of those bearer notes.

What my amendment seeks to accomplish is to try to identify who those holders are. Mr. President, reality dictates that if my amendment passes and Mexico does provide the information we are seeking, we will probably never know who really holds that debt. It will probably be reported in the name of the Bank of Panama, the Bank of the Bahamas, a couple of major brokerage house firms, but I think it important that this body focus on this principle: that it was an unnecessary and unwise action taken by this administration at the expense of the U.S. taxpayer to favor the holders of an extraordinary type of foreign debt that was issued out there to make them whole when we do not do it to any other investor when their investments turn bad. But we made an exception for these investors.

The New York Times reported last Sunday:

> Most of those investors, a mix of rich Americans and other foreigners, have swept up their hefty profits and immediately transferred their money out of the country of Mexico.

Now, if that is true, Mr. President, we have not done Mexico a favor. We have put a burden on the taxpayer and the Mexican economy because they are the ones we expect to pay that back.

So that is the extent of my statement and my concern, Mr. President. And I urge my colleagues who have anguished over whether or not the Congress should take a position on this matter to recognize that we have an obligation to the U.S. taxpayer to make an accounting of the worthiness of a $20 billion commitment, and that is not what we have done.

I would feel entirely different in this matter if I felt this was an investment in the Mexican economy which would benefit the Mexican taxpayer.

It is like, if you borrow money, Mr. President—and I know you are a businessman—and you could use that money to make more money, that is a good thing. You are employing more people; you are building up inventory. But if you borrow money and you have to mortgage your income to pay it back, I may be doing you a grave disfavor.

That is the principle that I think is applicable in this particular case of bailing out this select group of investors, whom we have no knowledge of at the expense of the Mexican taxpayer.

Mr. President, I have concluded my statement. I intend to pursue this matter at a later date when the opportunity arises with an appropriate vehicle.

In the meantime, I ask my colleagues to consider the merits of my statement this morning relative to identifying who the beneficiaries are of our $20 billion commitment. This is just a part of the current Mexican debt, which will in this year require some $70 billion in order to meet the obligations of the Mexican government.

I thank the Chair and I wish the Presiding Officer a good day.

I yield the floor.

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

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

STRIKER REPLACEMENT

Mr. FAIRCLOTH. Mr. President, on March 23, I introduced S. 603—a bill to nullify Executive Order 12954 which prohibits Federal contracts with any company that hires permanent replacements for striking workers. This is the companion bill to H.R. 1176 introduced by Chairman GOODLING of the Committee on Economic and Educational Opportunities. Yesterday, Mr. GOODLING's committee held a hearing on H.R. 1176, at which testimony was given concerning the fundamental flaws of this Executive order. Many of the same issues were addressed in this Chamber when the distinguished Senator from Kansas, Chairman KASSEBAUM, ably led an effort to limit funding for the implementation of the Executive order.

We lost that fight, but the opponents of this Presidential power grab will not rest until the Executive order is overturned and balance is restored to this Nation's labor policies.

Today, I would like to speak briefly about just a few of the more recent and compelling criticisms of the Executive order.

I share the opinion of those who conclude that the order is invalid because it exceeds the President's constitutional and statutory authority. The Justice Department's legal memorandum in justification of the order cites a statute which was enacted in 1949 to implement the recommendations of the Hoover Commission.

The Justice Department takes the position that this statute authorizes the President to adopt any regulation which promotes economy and efficiency in Government procurement. However, there is no Supreme Court decision that supports the Justice Department's interpretation of this statute as conferring such sweeping Presidential authority.

Moreover, the Congressional Research Service recently concluded that Executive Order 12954 ''may not survive even the most restrained judicial scrutiny.''

We must be clear about the legal foundation which restricts the President's authority to issue an Executive order regarding a central tenet of national labor policy.

The National Labor Relations Act itself authorizes the hiring of replacement workers—and by so doing, limits Presidential authority to regulate the relationship between management and striking employees. The President has

not been granted authority under any statute to alter this carefully balanced congressional design.

If this order is not overturned, just imagine the possible consequences of allowing the President to bypass Congress and issue directives on any and all matters relating to Federal contractors.

For example, President Clinton would be permitted to unilaterally impose on Federal contractors a mandate to implement the type of health care plan which he advocated last year and which was so thoroughly and soundly rejected by Congress and the American people.

In issuing Executive Order 12954, President Clinton has made a sweeping assertion of Presidential power which is completely at odds with our constitutional system of separated and enumerated powers. It should not be allowed to stand, and during the 104th Congress we should commit ourselves to reversing this ill-conceived precedent.

Mr. President, I yield the floor and suggest the absence of a quorum.

Ms. MOSELEY-BRAUN addressed the Chair.

The PRESIDING OFFICER. Will the Senator from North Carolina withhold his request? The Senator from Illinois is seeking the floor.

Mr. FAIRCLOTH. Mr. President, I am sorry. I did not see the Senator from Illinois.

I withdraw the request for a quorum call.

Ms. MOSELEY-BRAUN. I thank the Senator from North Carolina.

The PRESIDING OFFICER. The Senator from Illinois is recognized. The Chair apologizes. I was raptured by the Senator from North Carolina, and my head was turned the wrong way. I wish her a good day.

WINNERS AND LOSERS OF THE CONTRACT

Ms. MOSELEY-BRAUN. Mr. President, I would like to discuss the first 100 days of Congress, and the winners and losers of the Contract With America.

We have heard a lot from those who would compliment the leaders in the House for their speedy answers to some of this Nation's most pressing problems. Many will say that they have made history for their ability to address so many issues in a mere 100 days. I dare say, though, that if the Contract With America makes history, it will not be for its achievements, but for the reckless manner in which critical issues were considered, issues that have will have a severe negative impact on the lives of countless Americans.

At the outset, I want to say that we all know that spending must be reduced. We all know that the deficit must be brought under control. This is why I supported the balanced budget amendment. But out jobs as Members of Congress means prioritizing the needs of the American people within our fiscal constraints. What the Contract With America does is give the wealthy a higher ranking over working class families and children in this country.

I can sum up the winners in the last 100 days easily, the super wealthy and the billionaires. Unfortunately the list of losers is much longer, children, students, hard working middle-income families, and the list goes on. The losers are those who would greatly benefit our investment in the people of this great Nation, quality education for our children, job training for young people and adults, efforts calculated to help prepare this Nation for the future.

WINNERS/EXPATRIOTS

Who are some of the winners in the first 100 days? Some of the winners have been big. The big winners include 24 billionaires who escape $1.4 billion in income and estate taxes by renouncing their citizenship, the expatriots who abandon this great land that has helped them gather their wealth. Democrats tried to close that loophole in the Finance Committee we were outvoted by the Republican majority.

Our current tax laws are not neutral. To favor those that would renounce their citizenship over hard working loyal American citizens who are struggling to get by.

A few dozen ex-patriots take advantage of this loophole in Federal tax laws by removing their assets beyond the reach of U.S. taxing jurisdiction just before renouncing their U.S. citizenship, thereby avoiding taxation of the appropriated value of their assets.

While they enjoyed the benefits of U.S. citizenship—police protection, roads, schools, national security, and countless of other Government services—they looked for ways to get around paying their fair share of taxes.

Although the Senate Finance Committee voted to eliminate this loophole, the provision was restored in conference. This is nothing short of astounding. At the same time that Republican leaders in the House were proposing massive cuts to be placed on the backs of the children and families of this country, the House Republicans chose to continue granting massive benefits to billionaires.

WINNERS/HOUSE TAX PACKAGE

Among the other winners, are those that would benefit from the House tax and spending package that has been labeled the crown jewel of the Contract With America. I fail to see the glitter in this jewel.

Among the tax cuts is a provision which will give families that pay taxes eligibility for a $500 tax credit for each child under the age of 18, including families earning more than $200,000 a year.

But what this crown jewel does is reverse an original proposal which would have made the credit partially refundable, meaning that some low-income working families, who pay no income tax but who do pay substantial social security and Medicare taxes, could have received the credit. This version is now nonrefundable. And what that means is that those earning $200,000 will not be affected, but that the working poor of this country have once again lost out.

LOSERS/OPENING

And who else loses, well, these tax loopholes and tax breaks are paid for at the expense of middle Americans who will have to pay more to send their children to college or to a child care program. These breaks are also being paid for by the children in this country, thousands of kids, who are on waiting lists to attend a Head Start Program. For example, in my hometown of Chicago, only 26 percent of all poor children qualifying for Head Start are able to attend a program because of the shortage of slots available.

I would like to take a moment to talk about the many other educational programs that will suffer as a result of the past 100 days. I would also like to review, in somewhat greater detail, the consequences of these ill-considered actions to decimate programs that invest in this country's future.

Mr. President, it is an understatement to say that it is vital to the interest of our Nation that we maintain quality public education for all Americans. Education is not just a private benefit, but a public good. It is the cornerstone of a healthy democracy and as a society, we all benefit from a well educated citizenry. What quality education results in is the means by which we prepare our children to succeed, to earn a living, participate in the community and give something back to their communities.

LOSERS/EDUCATION AND THE WORKFORCE

Education is also the vehicle to understanding the technology that has reshaped our workplace. This country is experiencing a new era in economic competition. If we are to succeed and retain our competitiveness into the 21st century, there must be a renewed commitment to education in this country.

The results of a failed commitment to our educational system will have direct ramifications on this country's work force—the private sector—and this country's economy. Every day, businesses across this country are trying to cope with the fact that a great percentage of the work force is functionally illiterate. Every day, thousands of Americans are being told that they do not qualify for jobs because they lack a high school diploma, or a college degree.

Mr. President, our continued commitment to education will mean jobs for the American people.

Nonetheless, as other leaders of our countries continue to recognize the increasing importance of education, many in this country continue—and I am sorry to say, many Members of Congress—continue to wear blinders.

We must not retreat from this commitment.

HOUSE RESCISSIONS BILL

The rescissions bill sent to this chamber by the U.S. House of Representatives would cut $1.7 billion from the 1995 Department of Education budget. It enacted this legislation would cut: $481 million from the Safe and Drug Free Schools Program; $261 million from vocational education and literacy programs; $186 million from the Goals 2000 program; $113 million from chapter 1, and $50 million from bilingual education programs.

The House has also recommended rescinding critical funding for programs which advance our Nation's education technology infrastructure, which I will also address. These cuts include:

$30 million from the Educational Technology Program, a program which promotes equal access for all elementary and secondary students to the educational opportunities made available through advances in technology.

$10 million from the Star Schools—a program designed to improve instruction in math, science, foreign languages, and other subjects through telecommunications technologies. It also supports eligible telecommunications partnerships organized on a statewide or multistate basis to develop and acquire telecommunications equipment, instructional programming, and technical assistance.

$2.7 million from the Ready to Learn Program, the first national goal which states that all children should start school ready to learn. The program helps local school districts meet this goal by supporting the development and distribution of educational television programming for preschool children.

GAO REPORT

Mr. President, last year, I asked the GAO to conduct a nationwide study on the condition of our Nation's public school facilities. Earlier this week, I elaborated on the second of those reports—released this week by GAO—which focuses on our Nation's education technology infrastructure needs. I would like to just briefly comment on this critical subject again.

This GAO report concludes that our Nation's public schools are not designed or sufficiently equipped to prepare our children for the 21st century. More specifically, the GAO report found that more than half of our Nation's schools lack six or more of the technology elements necessary to reform the way teachers teach and students learn including: computers; printers; modems; cable tv; laser disc players; VCR's, and TVs.

In fact, the GAO report found that even more of our Nation's schools do not have the education infrastructure necessary to support these important audio, video, and data systems. More importantly, this second GAO report confirmed our worst fears, the availability of education technology in our Nation's public schools is directly correlated with community type, the percentage of minority students, and the percentage of economically disadvantaged students.

Mr. President, this is simply unacceptable and the proposed cuts to educational programs are also simply unacceptable. There is no reason why our Nation's children should not have equal access to the best education technology resources available.

EDUCATION INFRASTRUCTURE

Let me mention briefly the first GAO report, released in February, on the state of school facilities. This report found that our Nation's public schools need $112 billion to restore their facilities to ''good'' overall condition.

And what is the Republican response to our Nation's schoolchildren? I am sorry to report that the House rescissions bill would also slash funding for all new education initiatives, including the education infrastructure act which I introduced last April to help local school boards improve the physical conditions of our schools and ensure the health and safety of their students.

EDUCATION CUTS IMPACT ON ILLINOIS

While the Senate bill does restore some of the educational funding, it is not enough. The cuts are still deep and will have a great impact on children throughout this country. I would like to use my State of Illinois as an example. Some of the Senate-recommended cuts will result in the following loss to the children in Illinois alone: Disadvantaged Students Program, (Title I): −$3.4 million; Safe & DrugFree Schools: −$4.3 million; Goals 2000: −$2.4 million.

HIGHER EDUCATION

The contract's attack on education does not stop at the grade school and high school levels. College students and middle-income American families will also pay a higher price.

For example, the proposed elimination of four higher education programs—supplemental educational opportunity grants, Federal work study, Perkins loans, and the State student incentive grants, along with the elimination of the ''in-school interest forgiveness exemptions on student loans''—will increase the cost of college for American families by $20 billion over the next 5 years.

Eliminating the subsidy on school interest forgiveness alone would mean the following for middle-American families: 4.5 million current borrowers will accrue interest on their loans while they are still in school; a student who borrows $17,125 over 4 years would owe $3,150 or more and have his or her monthly payments increased by more than 18 percent and, in my State of Illinois, the number of students who will pay more for student loans will increase by 198,053.

AMERICORPS

The contract's attack on young people continues. Republican attempts in the House to gut the AmeriCorps Program would eliminate opportunities for thousands of students to serve their country while earning money for their own education. A promise that has been made to these thousands of young Americans; the communities they serve; the charitable groups they serve with; and, the partners who share the costs of the National Service program, will be broken. Thousands of working families who depend on the promise of college scholarships for service, will lose this valuable financial assistance.

The House rescission on AmeriCorps will mean that the almost 700 projected number of students who could take part in the program in fiscal year 1995 will be rejected.

Mr. President, I would like to use City Year Chicago—the model program that AmeriCorps is based on—as an example of some of the outstanding and desperately need work that is being done by students in the Chicago area. Some of the community service work includes: The Alter Group Team—Members work with Bethel New Life, a community development corporation in the Garfield Park neighborhood, a low-income area in Chicago. Projects include designing and piloting a computer-literacy program for adults and assisting in the renovation of both a hospital, which will become senior housing and a school, which will become transitional housing for battered women.

The First Chicago/Harris/LaSalle/Northern Trust Team—Members are running a teaching assistant program at the Brian Piccolo Elementary School in West Humboldt Park, a public elementary school serving approximately 966 African-American and Latino students. Each team member works as a teaching assistant in a classroom, tutoring children with special needs, assisting in bilingual classes, or helping to implement special art or education programs.

Mr. President, these are just two examples of what's being done under the AmeriCorps Program after only 6 full months of operation. I would like to submit for the RECORD, a complete list of the AmeriCorps Community Service Programs underway in Chicago, and ask unanimous consent that the list be printed in the RECORD following my statement.

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

(See exhibit 1.)

Ms. MOSELEY-BRAUN. Across this country, more than 20,000 AmeriCorps members have begun to serve their neighbors; children, the elderly, students, and persons with AIDS.

AmeriCorps members have taught or tutored more than 9,000 pre-school, elementary, and junior high school students in basic educational skills. They have launched after-school and summer tutoring programs for more than 4,600 kids. And they have organized hundreds of community service projects, cleaning up neighborhoods and providing food for the elderly.

CLOSING

In closing, I want to make clear what I am for and what I am not for. As I stated at the start of my remarks, a lot of what the spending process includes is prioritizing. By providing the needed and long overdue support for educational programs, job training programs, and programs for children, we invest in this country's future. Cutting these opportunities is clearly in the wrong direction. We must not retrench on our commitments to young people and American families.

Mr. President, before the celebrating of the contract and the first 100 days begins, the American people need to understand who's been invited to this party. If you are a billionaire, or part of the small percentage of the super-wealthy elite in this country, your invitation has been signed, sealed, and delivered.

For the rest of American people—the children, students, or hard-working, middle-income Americans—I dare say, your invitation has been lost in the mail.

EXHIBIT 1

CITY YEAR CHICAGO—COMMUNITY SERVICE UPDATE—AS OF MARCH 1995

THE ALTER GROUP TEAM

The Alter Group Team is working with Bethel New Life, a Community Development Corporation in the Garfield Park neighborhood. In the mornings, the Alter Group Team members participate in a variety of group and individual projects under the direction of Bethel New Life staff. Corps members are designing and piloting a computer-literacy program for adults; organizing community improvement and gardening projects; helping to organize a volunteer week and other community events; and assisting in the renovation of both a hospital which will become senior housing and a school which will become transitional housing for battered women. In the afternoons, the team members tutor students in the after school program in Bethel's affiliate elementary school.

THE FIRST CHICAGO/HARRIS/LASALLE/NORTHERN TRUST BANK TEAM

The Bank Team is running a City Year in Schools Program at the Brian Piccolo Elementary School in West Humboldt Park, a public elementary school serving approximately 966 African-American and Latino students. Each team member works as a teaching assistant in a classroom, tutoring children with special needs, assisting in bilingual classes, or helping to implement special art or physical education programs. Corps members also act as role models for the young students by establishing an environment of common goals and values and promoting the City Year values of team work and inclusivity. When the school day is finished, the team continues working on a project designed to improve students' self-image and enliven the school environment through the creation of inspirational banners.

THE AMOCO TEAM

The Amoco Team also works in partnership with an elementary school: the John Spry Community School in Little Village. Spry is a pre-kindergarten through eighth grade school with approximately 1,300 students. By working individually in classrooms as teaching assistants, City Year corps members are helping to give students the confidence to excel academically. They lead small groups in math and reading, work closely with troubled students and teach lessons in English as a Second Language and art. The Team also participates in such special programs as the celebration of Young Readers Day, for which corps members rotated classrooms and read to over 700 children. The creation of perfect attendance and honor roll certificates for the entire school, and the renovation and reorganization of the Spry School Library for reopening can also be credited to the team members. The Amoco Team is currently working on a violence prevention curriculum, which the team will take to classrooms throughout the school.

THE RONALD MC DONALD CHILDREN'S CHARITIES TEAM

The Ronald McDonald Children's Charities Team is helping to run an after school club at the Chicago Youth Centers-Lower North in Cabrini Green for over 100 children. The team's service is focused on expanding the curriculum offered at the youth center and strengthening the educational components of the program. The team members not only tutor the young children in the program, but create and run after school clubs such as Arts and Crafts, No-Bake Cooking, Tumbling, Volleyball/Softball, Basketball, and Chorus. Along with their work with the After School Club, the team is succeeding in changing the face of the Youth Center. The team has painted most of the building's interior surface, repaired the outside fence, created a mural in the gymnasium, and completed many other physical service projects at the Center. When not at the Center, the Ronald McDonald Children's Charities Team works in partnership with Careers for Youth and Uptown Habitat for Humanity on the West side. They are painting and installing light fixtures in a two-flat apartment building, so that a family can move in this Spring.

THE DIGITAL EQUIPMENT CORPORATION TEAM

The Digital Equipment Corporation Team runs an after school club for approximately 80 children at the Price School in the Grand Boulevard community through Chicago's Youth and Family Resource Center. Under the supervision of the Digital Team, the children study and work on their homework for two hours tech day. Corps members give the special attention and individual tutoring that is often difficult for teachers to provide in a classroom context. Following completion of their homework, the children can participate in one of the Digital Team's After School Clubs: ''An Exploration of Culture;'' Art; Rap Session (a discussion group); Dance; Music; Reading and Writing Workshop; and Athletics. The Team also works with Habitat for Humanity/Careers for Youth doing renovation and carpentry for low cost housing on the West Side. In addition, Team members work with the Chicago Historical Society's Neighborhoods; Keepers of Culture Exhibition, a project created to collect, interpret and exhibit the histories of four Chicago neighborhoods. The entire Digital Team is also being trained as AIDS Counselors, and this Spring will begin doing AIDS/HIV outreach in the Little Village community.

(Mr. FAIRCLOTH assumed the chair.)

AFFIRMATIVE ACTION

Ms. MOSELEY-BRAUN. Mr. President, I would like to take up another subject that is probably as controversial as the Contract With America and what has happened in the last 100 days.

I recently met with a group of concerned women in Illinois to discuss the continued relevance of affirmative action. The idea of the meeting arose quite naturally. As with any other debate that is happening here in Washington, I try to reach out to those in my State who will be impacted by changes that Congress might make, in order to get the input of their collective wisdom.

The meeting was arranged when we, at last, had a few days to spend back in the State. As you know, Mr. President, we have not been able to get back home as much as we would like. So the meeting was arranged somewhat hastily; we did not have a great opportunity to plan for it. Nor were we able to provide interested parties with much in the way of advance notice.

However, as it turned out, the meeting was a resounding successful. Frankly, I do not think I could have even imagined how successful it would be, or how many people would rearrange their plans to meet with me on a moment's notice.

My office was filled with women who spanned the political and economic spectrum. There were women who had spent their lives doing grassroots political organizing, and women who had spent their lives working in corporate America. There were women who had started their own businesses from scratch, as well as women working in unions and associations. Many of the women present had also spent years exclusively as homemakers.

Despite the diversity of viewpoints and backgrounds represented at the meeting, there was a near unanimity of response. The women in that room wanted to know why Congress would choose this moment in time to turn its back on the promise of equal economic opportunity, when so much work remains yet to be done; at a time when, despite all of our efforts, a glass ceiling still works to prevent qualified women and minorities from making full use of their collective talents.

The women at the meeting wanted to know how Congress could ignore the overwhelming evidence that affirmative action benefits not only individuals, but employers and society as well. Finally, they wanted to know what they could do to help preserve this country's commitment to equality, opportunity, and fairness.

Every woman at that meeting agreed that she would have been denied opportunity in the absence of affirmative action. Every woman agreed that she had been provided with opportunities because the climate created by affirmative action helped to encourage diversity and inclusion, and helped to open up fields of endeavor that might have otherwise been closed to her. And, more importantly—or as importantly—every woman there could recall a roadblock that had been placed in her way

as she tried to become an equal participant in the marketplace.

The barriers to equal opportunity, and the roadblocks that one runs into because of gender are not subjects that most women generally discuss. Frankly, most women would prefer to meet the potholes and the ruts in the road, to confront them head on and overcome them, if possible, and then move on. Yet every woman present agreed that congressional efforts to repeal affirmative could only serve to put cement on the glass ceiling, and to make those hurdles higher. If that happens, Mr. President, these women will come out of the woodwork. Letters and phone calls will pour in from across this Nation, Mr. President, as women tell their stories. The sentiment in that room can be summed up quite simply: Women cannot, and will not, turn back.

The simple fact is that many of these women were in professions that women could not even enter 20 years ago. Many of the women in the room had been hired for jobs or had received promotions that would have been unthinkable in 1965, or even 1975. And all of them felt that the existence of affirmative action in the laws and in executive orders in this country had opened doors, had created a climate of diversity, had created an environment for their inclusion.

Finally, despite the progress they had made, all of these women felt that there were still barriers to their advancement, that the glass ceiling was all too real. They concurred that efforts by this Congress to retreat from the commitment to equal opportunity in the workplace would have the effect of putting cement on that glass ceiling, and make it much more difficult for women to participate in the economic, political and social life of this country.

Given the enthusiastic reaction at the meeting that took place in my office, I was frankly not surprised to learn 2 days ago that a Coalition for Equal Opportunity is being formed in Illinois. At a press conference on the 17th of April, more than 40 women's, civil rights, labor, religious, and business organizations will announce their intentions to work to preserve equality and fairness in Illinois and throughout the Nation. They announced their intention to begin to galvanize and work to explain to women what affirmative action really means—the truth of it.

I gave a statement on the floor the other night, Mr. President, in which I went some detail about the truth of affirmative action—what the myths are, what the realities are, and how women and minorities will be affected by efforts to repeal it.

For those who may be wondering if the reaction of that group is atypical, I can assure you, it is not. There is a tendency in Washington to get wrapped up in what is happening here on the Senate floor. Sometimes, we can lose sight of what people are saying out there in the real world, what is actually going on in communities.

It is interesting to note that there is an old expression, ''How does it play in Peoria,''—a town that is, of course, in my State of Illinois. How does it play in Peoria? This is a short-hand way to cut through the beltway issues and get to what the people out in the heart of the country think about the issue.

There was a major story that recently appeared in the Peoria Journal Star, a major newspaper in Peoria, that gives us a sense of how this issue, the affirmative action debate, is playing in Peoria.

The headline of the article is entitled, ''Toward a Middle Ground: Re-Think Affirmative Action, But Don't Kill It; Issue Demands Caution.''

I ask unanimous consent that the text of the article be printed in the RECORD following my remarks.

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

(See exhibit 1.)

Ms. MOSELEY-BRAUN. I would like to discuss a few points made by that article, because I think it is helpful for those of us in this body to be aware of how some people in America's heartland feel about the affirmative action issue.

First and foremost, the people in Peoria are echoing the conclusions reached last week by the Department of Labor's glass ceiling commission: affirmative action makes good business sense. As the article states:

> A half-dozen Peoria area employers and educators contacted over the last week said they make special efforts to promote diversity not because the Federal regulators are on their backs, but because it's in their interest. In some circumstances and with some individuals, a black cop or teacher can be more effective than a white one. A rape victim may be more willing to tell her story to a female reporter. A Hispanic salesman may be better able to reach that market. It's not just black students who benefit from attending college; whites are more fully educated—wiser if you will—for having black classmates and roommates.

Mr. President, these are businesses in Peoria, not New York or even Chicago. This is Main Street, not Pennsylvania Avenue. And these Main Streeters recognize that affirmative action is more than a private benefit; it is a public good. If we can open opportunity to a student or a job applicant who has been previously excluded from consideration, obviously, that person benefits. What is less obvious, but just as important, is that society benefits as well.

The Journal Star's article continued on to point out that, while America has made great strides in equal opportunity, there is still much work to be done. The dream of America as a colorblind society has not yet been realized even though all of us want, I think, to move in that direction. There are still entire professions, entire companies and even entire industries that remain virtually off-limits to women and minorities, particularly in the upper-levels. The glass ceiling report reached that conclusion after years of painstaking research; in reality, all people need to do is look around their boardroom or their classroom to figure out what is really going on. As Clarence Brown, personnel director at Peoria's Bradley University, stated:

> Everyone still believes the Government is forcing businesses to hire minorities—it's not. At every workshop, somebody brings that up. We say, look around you, and in most of those workshops there are no minorities at all, and most of the people there are white males.

Mr. President, as I have said before and will say again, I agree that all affirmative action programs should be subject to review. Everything that we do in Government, if the Government is to function effectively, from time to time, be subject to scrutiny and accountability. But there is a difference between review and retreat. In fact, the issue we are facing right now is that we make certain that retreat does not mean retrenchment. It is important that efforts to promote diversity are fair to everybody. It is important that the affirmative action initiatives do what they say they do and that we weed out the companies that run amuck and bureaucrats that run amuck and make a rash of regulations that are illogical.

So review in and itself can be an opportunity for improvement of affirmative action but it should never be used as an excuse for retrenchment from our commitment to fairness.

As the Peoria Journal Star article concludes:

> It would be a mistake to abandon the broad commitment to act affirmatively to make for a more inclusive America: To recruit, to recognize the value in diversity, to provide more opportunities to those, regardless of sex or color, who have too little from the moment of birth.

In other words, an absence of discrimination is not enough. The Federal Government, employers, and our universities must reach out beyond the traditional groups and ensure that all people are given the opportunity to succeed in America.

Some have argued that, even if the Federal Executive order on affirmative action is repealed, businesses will continue to seek out diversity because it is the right thing to do. It affects the bottom line in a positive way. That is possible. But I do not think promotion of diversity would proceed as rapidly in the absence of legal guidance. Indeed, it is likely to slow down and some of the evidence suggests that where the legal requirement has changed affirmative action efforts have slowed down.

The more probable scenario is described this way in the article from the Peoria paper:

> The other possibility is that ending Federal affirmative action mandates will make our workplaces and campuses look more Germanic than American. The commitment to minority recruiting will fade as time passes. Blacks shackled by poor schools and single-parent families will be more disadvantaged than they already are in competition for

spots in good colleges, necessary to put them in competition for good jobs. Minorities and women who would be otherwise competitive will run up against the good-old-boys network and the human tendency toward the familiar—to give the job to somebody who looks and things as you do.

Is that what we want from America? That scenario runs counter to the American dream, the dream of opportunity for everyone, the dream of traveling as far as your abilities will take you; or, as many parents put it to their children, the dream that any one of us could one day grow up to be the President of the United States. If that dream is to have any basis in reality, we cannot retreat from our commitment to affirmative action. To those who will easily dismiss the Peoria Journal Star observations, and my remarks on this subject, again I have already made one more detailed speech about this issue, and I intend to make others about this issue to focus in on particular parts of the debate and particular issues going to the facts of this issue, I would like to remind whoever is listening that Illinois has long been a bellwether State on the issue of equal opportunity.

As far back as 1914, a woman's organization known as the Kappa Suffrage Club realized the link between equality of women, and equality for minorities, and worked for the election of the first black alderman in the city of Chicago. The League of Women Voters was founded in Illinois in 1919 by Carrie Chapman Catt, who stated at the time that ''Winning the vote is only an opening wedge, but to learn to use it is a bigger task.''

I know that there are attempts by some to turn the affirmative action issue into a cynical debate about race. We cannot allow that to happen. There are too many problems facing this country—problems of job creation, deficit reduction, education—that need our collective energy. To divide Americans one from the other is not only counterproductive, it is irresponsible. and I submit irresponsible debate. Affirmative action is about opportunity, and affirmative action is about giving our country the ability to compete in the world economy, in this world marketplace on an equal par and with the capacity to tap the talents of 100 percent of the people of this country.

As our country is able to tap the talents of 100 percent, we grow stronger as a nation and we are better able to participate and to compete. To close that door to, put cement on the glass ceiling at this point in time, it seems to me, turns this country in the absolute wrong direction and will put us on a course that I hate frankly to imagine.

I hope that over the months as we discuss this issue that people who care about it will, one, focus in on the fact and, two, hear the voices of reason coming from the America's heartland. We all stand to gain from the wisdom of people who are out in the real world trying to make our country work as one America.

If any objective should command our complete consensus, it is ensuring that every American has a chance to succeed. And in any event, the facts will not support tagging blacks and other minorities with any failures of affirmative action programs.

Mr. President, I will close on a note of caution from the Peoria Journal Star:

There are fewer threats to the Nation's future that a wide divide between angry whites and disenfranchised blacks.

Those who would seek to enlarge that divide by using affirmative action as a racial ''wedge'' issue may score short-term political points; but they do so at the expense of America's long-term future. Before we travel down that road, I urge everyone to consider the voices of reason coming from America's heartland. We all stand to gain from their wisdom.

Thank you very much, Mr. President. I yield the floor.

EXHIBIT 1

[From the Peoria Journal Star, Mar. 12, 1995]

TOWARD A MIDDLE GROUND: RETHINK AFFIRMATIVE ACTION, BUT DON'T KILL IT; ISSUE DEMANDS CAUTION

Call it the revenge of the angry white guys.

Claiming white males denied access to a janitorial training program, the United States Justice Department last week sued Illinois State University. ISU President Thomas Wallace responded that the program has been set up to integrate a largely white, male work force. White men weren't precluded from joining, Wallace said. But the Justice Department alleges none were among the 60 people trained and hired between 1987 and 1991.

It's not often lately that the feds have gone to bat for white guys, especially those who allege they are being denied an opportunity to become janitors because of gender or skin color. Before affirmative action sought to put the power of programming behind the pledge of opportunity, most of the positions that paid Buick-buying money went to white men. Why would they mind if custodial jobs went to blacks?

We have come not quite full-circle in the 30 years since President Lyndon B. Johnson committed the country to guaranteeing black Americans ''not just equality as a right . . . but equality as a fact.'' What followed was a host of federal programs—the Library of Congress lists 160—which seek to increase the number of minorities and women in college and medical school, behind jackhammers and at the kneehole side of vice-presidential desks. That it did, though imperfectly (women benefited more fully than blacks) and with fallout.

The fallout is the growing resentment of whites. Only a few take their cases to court: the Colorado contractor who lost a federal highway job to a minority firm which submitted a lower bid and the white schoolteacher, hired on the same day as a black, who was laid off when her employer opted for diversity over a coin-toss.

More often, white males who believe they've been victimized take their cases to their buddies: They can't get hired, they can't get into law school, they don't have a shot at a promotion because they are being discriminated against. But with some notable exceptions, it's not the best case. For the work force, especially at higher reaches and in the professions, remains predominantly white and largely male.

''Everyone still believes the government is forcing businesses to hire minorities—it's not,'' says Clarence Brown, Bradley University's personnel director. ''At every workshop somebody brings that up. We say look around you, and in most of them there are no minorities at all and most of the people there are white males.''

Yet most employers and universities do make special efforts to make their offices and their student bodies look more like America.

A half-dozen area employers and educators contacted over the last week said they do so not because federal regulators are on their backs, but because it's in their interest. In some circumstances and with some individuals, a black cop or teacher can be more effective than a white one. A rape victim may be more willing to tell her story to a female reporter. A Hispanic salesman may be better able to reach that market. It's not just black students who benefit from attending Bradley; whites are more fully educated—wiser, if you will—for having black classmates and roommates.

A colorblind society, free from all discrimination, is a wonderful goal, but it's not the reality. And so most of those questioned say they'd remain committed to the wisdom of diversity, in the absence of legislation. That's one of the arguments made by those who call for dismantling federal affirmative action programs.

But it's also an argument that ends up running in circles. To wit: Race and sex should not be considered. Laws that require their consideration should be repealed. Without laws, employers and institutions will continue their voluntary efforts to attract more minorities because a diverse work force is in their interest. Hence, race and sex will be considered—and all those white guys who think that's why they failed to get hired or promoted will be angry still.

The other possibility is that ending federal affirmative action mandates will make our workplaces and campuses look more Germanic than American. The commitment to minority recruiting will fade as time passes. Blacks shackled by poor schools and single-parent families will be more disadvantaged than they already are in competition for spots in good colleges, necessary to put them in competition for good jobs. Minorities and women who would be otherwise competitive will run up against the good-old-boys network and the human tendency toward the familiar—to give the job to somebody who looks and thinks as you do. There will be fewer black doctors and business executives and teachers.

All this is a long-winded way of saying that affirmative action is an extraordinarily complex and explosive issue. It's admirable that we want to be a society free of racial or sexual bias, but we are not. What to do about that remains a huge and divisive issue.

A story in this newspaper a couple of weeks ago reported that President Clinton had decided to review all affirmative action plans to search for a middle ground: ''Affirmative action review carries a no-win risk,'' read the headline. Yet a compelling case can be made for an effort to find a middle ground on this issue.

The House began last month by repealing legislation that granted tax breaks for companies that sell broadcast stations to minorities. No sound argument could be made for filling the pockets of rich white men so blacks could get into broadcast. Minority set-asides deserve a look; so do bidding rules that result in more expensive contracts because race or gender offset a low bid.

But it would be a mistake to abandon the broad commitment to act affirmatively to make for a more inclusive America: to recruit, to recognize the value in diversity, to provide more opportunities to those, regardless of sex or color, who have too little from the moment of birth. There are fewer threats to the nation's future than a wide divide between angry whites and disenfranchised-blacks. If ever an issue demanded a middle ground, free of reckless passion, this is it.

Mr. FEINGOLD addressed the Chair.

The PRESIDING OFFICER (Mr. COVERDELL). The Chair recognizes the Senator from Wisconsin.

Mr. FEINGOLD. I thank the Chair. I thank the Senator from Illinois. I appreciate hearing her remarks, particularly on affirmative action.

Mr. President, I ask unanimous consent that I my speak as if in morning business.

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

Mr. FEINGOLD. I thank the Chair.

ALLOWING GIFTS AND SPECIAL BENEFITS

Mr. FEINGOLD. Mr. President, I want to state first of all that, as we get to the end of the Republican contract of 100 days, it is time to take stock. Everyone is taking stock of what is in the contract, what is passed, what has not passed, what is not in the contract.

The piece I want to discuss today is something that just is not included; that is, whether we are going to ban the practice of allowing gifts and special benefits from private interests to Members of Congress.

I want to thank my colleague, the Senator from New Jersey, Senator LAUTENBERG, and the Senator from Minnesota, Senator WELLSTONE, for keeping up this fight during a series of months when in effect it appears that the effort to ban the gifts has been ruled out of order. It is not part of the contract. So we do not come out here and talk about it.

This came up in the very first week when we addressed something that Democrats have supported that was included in the Republican contract—there have not been many—namely to make sure that Members of Congress have to live by the rules that we make for everyone else. It makes sense. It passed overwhelmingly, if not unanimously, and a lot of us thought—certainly the three Senators behind the gift ban—what a perfect opportunity the first week to get rid of this outrageous practice.

So we tried to put it on the bill. We were defeated by almost a pure party line vote.

It is not very surprising in light of the fact that the new majority wanted to set the agenda. I understand that. We protested. But I certainly did not see it as outrageous given the fact that it was the first week and that there would be other opportunities. At that point, though, we received something that I think most of us perceived as an assurance that the gift ban issue would come up in a timely manner. This is not something that needs to be evaluated at length anymore such as welfare reform or the whole issue of how to cut the Federal deficit. Those are very complicated subjects. This is an easy subject. It is not the kind of thing that should wait until later this year or the end of session. It is important that the gift ban be enacted now so that the negative effect it has on this institution and the perceptions of this institution are mitigated now. But that is not what has happened.

The distinguished majority leader on January 10 said that it was his intent to try to move the bill as quickly as he could. He said:

I am not certain about any date. I am not certain it will be May 31. It could be before, maybe after May 31.

Some of us hoped at least the end of May would be a good target time to solve this problem, certainly by the Memorial Day recess.

Unfortunately, Mr. President, that is not the position now. We have received a list not too long ago of must-do items entitled, ''The must-do list for Memorial Day Recess, nonexclusive.''

Among the items listed on there are some very important items: The defense supplemental appropriations bill, the line-item veto, which we have taken care of in this House, regulatory moratorium bill, which we have moved out, product liability, the self-employed health insurance extension—we have taken care of that—FEMA supplemental, which we are dealing with now, crime bill, budget resolution, telecommunications bill, and various other items are listed as likely.

Nowhere on that list is there any suggestion either that we will be taking up the gift ban, or that we are likely to take up the gift ban before the Memorial Day recess, so I am beginning to get concerned. The majority leader had given us what I thought was a pretty strong commitment this bill would be taken up in a reasonable time but we are not getting that indication now. And I am beginning to wonder why.

Mr. President, a lot of things have not surprised me about these first 100 days of the Republican contract. That does not mean I like them, but they did not surprise me. I am not surprised that the House of Representatives, that talked so loudly about deficit reduction, yesterday passed a $200 billion step in the wrong direction in the form of tax cuts for everyone including some of the very wealthiest people in our society. I am not surprised. The Republican contract was voodoo mathematics from the beginning. It is about having your cake and eating it, too, saying you are for deficit reduction, saying you are for balancing the budget and then as fast as you can trying to make sure that everybody in the country is happy with you by giving you a tax cut that you cannot afford. I am not surprised by that.

I was not surprised but dismayed that the Republican contract does not even mention campaign finance reform. The American people want campaign finance reform, but it is very easy on that issue to confuse people, to say that if the Democrats write the bill, it is going to help out the Democrats; if the Republicans write it, it is going to help the Republicans. And it is terribly confusing because it involves so many different issues of PAC's and campaign limitations, contribution limitations. I think it is a tragedy that it was not a part of the contract and before us. But that does not surprise me. I would have expected that especially after the effort to kill the campaign finance reform bill in this body last year.

I am not surprised about the complete ignoring of the whole health care issue in the Republican contract, which everybody in the Senate said was an important issue; everybody said they wanted universal coverage somehow and acknowledged the 40 million Americans with no health care coverage. Everybody said we have to deal with it somehow, but there is no action on it. There is hardly mention of it.

Again, though, Mr. President, I am not surprised. I saw that one coming. Health care became a symbol of something that Government should not get involved in at all during the 103d Congress, and I think that is a regrettable result.

What I am surprised by, Mr. President, is that the folks running the Republican contract believe that it is just fine to not include the gift ban and not take it up in a timely manner. It is not important enough apparently to be handled in the first 100 days. I thought it was just too obviously inconsistent with the tone and the spirit of the Republican contract and the November 8 elections to ignore the fact that the gift ban is one of the greatest symbols of the corruption that exists in this town. That is what I would have thought. After eliminating the free gym, the free health care, the special stationery, and all the little perks that certainly should go—and I am glad they are gone—I would have thought it was just incredible that either party felt safe and secure not trying to get rid of the use of gift giving to Members of Congress. It seems like just offering up raw meat to the folks who do the ''Prime Time'' television show, begging them to come and photograph Members of Congress on tennis trips paid for by special interests.

That is what I would have thought. But that is not the perception. That is not the approach. The approach is to stonewall the gift ban issue. And why would Members of Congress continue to allow that perception to exist? Well, I guess the conclusion I have come to is because the giving of gifts to Members of Congress by private interests, by special interests—not by the Government—is not any old perk given by the Government like the haircuts and

other things that have been discovered here and, I hope, changed. It is something different.

The practice of gift giving and special interest influence behind closed doors is a key link in a chain of influence, Mr. President, a circle of influence that operates in this town to create a culture of special interest influence. Among the links in this chain are the practice of the revolving door—Members of Congress and staff members working a while here and then finding a nice job downtown and finding out that they can, in effect, trade on their experience here to get a job lobbying later on. That is one link.

Another major link, of course, is the horrible problem of the way our campaign financing system works—the news today in the Washington Post of the incredible numbers of new contributions coming into the national Republican committee now that they are in charge of both Houses. You can mention the book deals. You can mention the piece of legislation that is before us in the Senate Judiciary Committee today, the so-called regulatory reform bill.

Mr. President, in that bill it is seriously proposed and apparently is going to be passed that the review of these regulations, when they get to the highest level, will not be done by a disinterested group but will include a so-called peer review panel that will include the very interests that have a financial interest in the outcome of what happens with those rules.

That is a link in this chain. And so is the practice of giving gifts and free trips by lobbyists to Members of Congress.

The gift giving practice is the piece of the chain of special influence that has to do with feeding and pampering Members of Congress, and it is part of a system that tears the people of this country away from the people they thought they elected to represent them.

It is no wonder that the Republican contract does not mention the gift ban. It is no accident that the 104th Congress blocked action on that issue so far. Is it not interesting, if you listen to the talk show hosts, the rather conservative talk show hosts that talk about all the perks in Congress, they will talk about the pension problems here and the fact that the pension system needs reform, which I agree with, they will talk about anything that has to do with a Government perk but they seem to not talk about this practice of meals and gifts and special benefits, personal benefits to Members of Congress. The only time I have ever heard it discussed on one of those shows was on the Jim Hightower show. He was interested in pointing out what happened the first week of Congress. But basically it is not mentioned.

I can tell you the failure to mention it is not because it is something very difficult to enact or follow. A gift ban works very, very well. I have said many times in the Chamber—I guess I will be saying it many more times—we have had a law basically banning all these kinds of gifts in Wisconsin for 20 years. It has worked extremely well. Although we certainly have problems with special interest influence in our Government as well, it is a very different culture in Wisconsin government because of the Wisconsin gift ban. The type of thing that happened that was described in the Washington Post this week could not happen.

In an article in the ''In The Loop'' section a couple of days ago, entitled ''Hospitality Sweet,'' a recent fact finding trip was described as follows:

> Some House Republicans have come up with a neat way to fulfill their promise of slashing the cost of Congress. When members of the Resources Committee recently held field hearings on endangered species and wetlands in Louisiana, the trip included dinner at Armand's in the French Quarter.
>
> Who picked up the tab? The not-so-disinterested Louisiana Farm Bureau Federation, Midcontinent Oil and Gas Association, American Sugar Cane League and Louisiana Land and Exploration company.

And then:

> A week later, it was dinner in San Antonio, sponsored and paid for groups like the Texas Cattle Feeders Association, Texas Sheep and Goat Raisers, San Antonio Farm and Ranch Real Estate Board and Texas Association of Builders.

Mr. President, there was a rather lame response from one of the staff members of the House Members trying to explain why there was no problem with this.

Mr. Johnson said:

> We just consider this to be local hospitality. It's an opportunity for Members to discuss issues with people from Louisiana.* * * We didn't solicit any of these companies. I feel confident if any environmental groups had come forward and offered to have a luncheon or media opportunity we would have tried to accommodate them.

Mr. President, if they try to accommodate all these meals, they are going to have to go to a weight-loss clinic pretty soon.

In Wisconsin, you cannot do this. If you want to meet with constituents and sit down with them at a meal, that is fine, but you have to pay your own way. Sometimes the waiter or the waitress is a little irritated because they have to write out separate checks. But that is the worst thing that happens. You pay your own way. You do not do the kind of stuff that was done just recently by the House Republicans who said they felt they had to do this in order to investigate concerns in their State.

Mr. President, the problem is not that we cannot enact a gift ban or comply with one. It is just too darn simple to get rid of this horrible practice.

Mr. President, let me just be clear. I consider this gift ban issue to be very, very important. But I do consider it to be sort of the kid brother to the bigger issue, which I consider to be campaign finance reform.

I am not suggesting in any way that getting rid of gift-giving would solve the problem of special interests and the problem of lobbying. I think the answer there is to limit the amount of money, total amount of money, that can be spent, or at least make sure that those who abide by the limits get an advantage to make up for the loss of advantages of the greater spending.

I also think you ought to get a majority of your campaign contributions from your own home State, something many Republicans have proposed. I think that would really dilute and limit the influence of special interests and lobbyists in the campaign finance context.

But this is different. This is about personal enrichment. This is about, in effect, having an opportunity to subtly buy the time, the precious time, of Members of Congress. This is about creating a feeling of personal, not professional, obligation between one individual and another, one who happens to be a Member of Congress, one who happens to be a lobbyist for a special interest. This is about the opportunity to use gift giving and buying dinners and giving trips to achieve undue access to Members of Congress.

It is part of a chain, as I have had said, it is part of a circle of influence that I think has broken down the trust between the American people and their elected representatives.

Mr. DORGAN. Will the Senator from Wisconsin yield for a question?

Mr. FEINGOLD Yes, I yield for a question.

Mr. DORGAN. Mr. President, I was listening to the Senator from Wisconsin talk about gifts. I had come over to speak about something else, but in many respects it relates to the issue of gifts. I thought I would ask the Senator a question about it.

Last evening, the House of Representatives passed a tax cut bill, about $190 billion lost in revenue for the Federal Government in the 5-year period, about $630 billion lost in revenue during the next 10 years.

The same people who were the loudest proponents of changing the Constitution to require a balanced budget now have taken a bunch of polls and have found out if they offered a tax cut, it would be very popular. So they pass a tax cut bill.

It is the wrong way to balance the budget. The first step is to cut Federal spending and to use the money to cut the Federal deficit. Then we should turn our attention to the Tax Code and try to promote some fairness in the Tax Code.

But I find it interesting looking at the numbers in this bill passed by the House last evening. Last night they talked about this being a tax cut for families; this is a family-friendly tax cut to kind of help out working families. This morning I looked at the numbers. If you added it all up together—the child credit, capital gains cuts, eliminating the alternative minimum tax for corporations and a whole series of other things—and figure out who

benefits, here is what the numbers show. It shows that if you are an American with over $200,000 in income, you get an $11,200 cut in your tax bill. If you are an American who has an average income of less than $30,000, your tax cut under the House bill was a whole $124. In other words, if you are earning above $200,000, you can expect to get a check in the mail for $11,200. That is a pretty good gift.

These folks say this is for working families. Well, working families that make over $200,000 a year get an $11,200 tax cut—at a time when we have debt up to our neck trying to figure out how we try to deal with this Federal deficit—and then the working families earning $30,000 or less get an $124 tax cut.

It is the old cake-and-crumbs approach. Give the cake to the very rich and the crumbs to the rest and say, ''Everybody benefits.''

We are told that broad capital gains tax cuts help everybody. That is kind of like saying, OK, you take 40,000 people and put them over in Camden Yards; fill every seat. And then say, ''I'm going to pass out $100 million to these folks.'' And you pass out $1 to 39,999 people and to the other person you give all the rest of the money. And then you go outside and crow that everybody in that place got some money. Yes, they did—but one person got almost all of it and all the rest of them got just a little. So you can make the claim that everybody benefits, but the fact is one person got most of the benefits.

So that is the circumstance of the tax cut. At a time when we should be dealing with the deficit honestly, we have people taking polls and cutting taxes that promote enormously beneficial gifts to the very wealthy in this country.

Has the Senator had a chance to take a look at what happened last evening and what I think is essentially gifting to the wealthiest Americans in this generous tax cut proposed by the majority party in the House?

Mr. FEINGOLD. I am happy to respond to the Senator from North Dakota.

I did not want to see that headline this morning, but I did. And I did have a chance to take a look at it.

Let me say, first of all, to the Senator from North Dakota that long before I had the honor of being elected to this body, I admired the Senator from North Dakota when he was in the other body as one of the true leaders in the Congress on the issue of tax reform and tax fairness. He knows this stuff.

And so when he speaks about what this is all about, and what the tax cut for all Americans supposedly, but especially for wealthy Americans, is all about, he knows exactly what he is talking about. He was a key force for the positive aspects of the 1986 tax reform, parts of which I think are at least an example of when Washington got some things right. So I think his comment is very appropriate.

What I want to say in response, since I know the Senator wants to speak at more length about the tax cut, is that there is a common thread between the various parts of the contract. There is a connection between the fact that the gift ban is not mentioned in the contract and campaign finance is not mentioned in the contract, but the tax cuts are there for the wealthy, the so-called regulatory reform is included for the very interests that probably still do need some regulation. The common thread is this:

If you have a lot of resources and you have a lot of lobbyists here in Washington, you are not going to get nicked by the Republican contract. You just are not. If you are on welfare, you are going to get nicked. If you have a lunch coming to you at school, you are going to get nicked. But if you have any kind of serious interest supporting you on this Republican contract, you are not going to get nicked.

It is worse than that. This giant $190 billion piece of legislation that the House passed makes a complete farce out of the notion that the contract has anything to do with deficit reduction. Everyone knows it.

I have to say to the Senator from North Dakota and the Chair, I was the first Member of Congress—I am proud of this—of 535 Members of Congress, I was the first one to say ''No tax cuts.'' I said it the day after the November 8 election and I said it the day after the President proposed his tax cut. The Los Angeles Times said there was one lone voice that thinks this should not happen.

It is not nice to say, ''I told you so.'' I do not get to say it very often. On this one, it feels good to say it; that the people of this country know better than the people in this town and the people in this town are beginning to wake up, especially in the Senate, that it is a total fraud on the American people to say you are for balancing the budget and then start handing out $200 billion or $700 billion in tax cuts, tax gifts. The sad thing is, it is the repeating gift after gift after gift after gift to the same people.

Mr. DORGAN. Will the Senator yield for one additional question?

Mr. FEINGOLD. Yes.

Mr. DORGAN. The Congress in 1986 changed the tax law. And maybe it did not do such a great job. But it really tried to eliminate all the artificial things in the tax laws that promoted artificial investments and tried to let the marketplace make the decisions about where the investments would go.

Prior to that time, we had a circumstance in this country where you could pick out some of the biggest names in American corporate life and find out that they made billions of dollars in profits, and what did they pay in taxes? Zero. Nothing.

So in 1986, we put in place an alternative minimum tax that worked, and we said, ''You can't make billions of dollars in profits and end up paying nothing.'' The folks who work for a living pay taxes. They cannot get by without paying taxes. So we constructed an alternative minimum tax that worked.

The legislation they passed last night in the House of Representatives says, ''Let's get rid of the alternative minimum tax for corporations''—with 2,000 corporations benefiting to the tune of washing away $4 billion in revenue annually. The way I calculate it, that is about a $2 million a corporation every year. Talk about gifts? There is a gift. I bet there was not much debate about that.

Mr. FEINGOLD. Mr. President, if I may respond briefly, I am very glad the Senator mentioned some of the specifics of the 1986 bill, because as he was speaking, I realized, in 1986, we had a Republican President and, I believe, we still had a majority of Republicans in the Senate. Although that bill had flaws, there were changes in accelerated depreciation, and limits to the practice of using tax loss farming, which was something of great concern to farmers in Wisconsin. There were limits on some of the most visible aspects of tax deductions that seemed to be unfair.

What is ironic, Mr. President, is that here we have now, again, the majority of the Republican Party in the U.S. Senate—as well as the other body—and they are doing just the reverse.

There was a book written about the success of the 1986 bill called ''Showdown at Gucci Gulch.'' Gucci Gulch, of course, is where all the lobbyists were with their Gucci shoes, and it was a Republican, the Senator from Oregon, who I believe chaired that famous meeting. Tax loopholes were limited. Here we are, again, many years later with just the reverse happening: The restoration of some of these special deals at a time when the deficit is far worse than it was in 1986.

So let me simply conclude, Mr. President, by saying what I have told my constituents back home regrettably. They say, ''How is it going out there in Washington? How is the Republican contract working out? Are you cleaning things up?'' And I have to tell them the truth, and the truth is that the lobbyists in Washington have never had bigger smiles on their faces than they do now. This is the happiest time for lobbyists in America in many, many years, because they are running the show.

And as a final example, there was a rather disturbing occurrence in front of the Senate Judiciary Committee recently where our staff members were told to come to a staff briefing by the Republican majority staff on the regulatory reform bill.

As I understand it, although I have not been here for very long, it is normal practice for majority staff folks to brief the minority staff on what is going to be proposed by the Chair. But

they were not briefed really by the majority staff. They were briefed by a couple of attorneys. And when they were asked who they were they said, ''We're the folks who represent 12 to 15 corporations that basically wrote this thing.'' Apparently, several times, when questions were asked about details of the document, the Republican majority staff was even overruled by these attorneys, lobbyists from downtown Washington.

I think that is another symbol, another link in the chain of special influence that I am afraid has infected this town more this year than at any time in recent history.

So, Mr. President it is time to pass the gift ban. It is time to clean that up on the bipartisan basis that I thought we were going to do last time with an overwhelming 93-to-4 vote.

I am very delighted to yield in order to allow further discussion of what I consider to be an even more important issue: The need to let the Senate do its job by getting rid of this foolish tax cut at a time when all available dollars have to be devoted to eliminating the Federal deficit.

I yield the floor.

Mr. DORGAN addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the Senator from North Dakota.

Mr. DORGAN. Mr. President, I appreciate the presentation of my colleague from Wisconsin. I note the Senator from Arkansas, Senator BUMPERS, is on the floor, I think intending to speak a bit about the tax-cut bill that was passed by the House of Representatives last evening.

Might I ask about the order of the Senate. Are we in morning business?

The PRESIDING OFFICER. No, the Senate is on the supplemental appropriations bill. As the Senator will note from the remarks that we have heard before the Senate, it would be in order to ask unanimous consent.

Mr. DORGAN. I ask unanimous consent to speak as in morning business for 7 minutes.

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

IT MAY BE POPULAR, BUT IT IS NOT RIGHT

Mr. DORGAN. Mr. President, I will not take a great amount of time because I made some points here already. I did want to come and speak briefly about the action last evening with respect to one portion of the Contract With America in the House of Representatives.

As almost everyone understands, the Contract With America is a document that resulted from substantial polling of focus groups that the Republican Party did all across this country. They were polling to try to understand what is popular, what do people want, what do people think we should do, how will they react positively to words and phrases and ideas, and they put that together in a contract.

It is not surprising to me that one would discover the answer to a question, ''Would you like lower taxes,'' that the answer ''yes'' would be the popular answer. ''Yes, of course, we'd like to have lower taxes. We'd like to have a tax cut.'' I understand that. I understand any poll in this country would achieve that result.

But there are times when we have to choose between what is right and what is popular. Although I think it may be popular for them to be talking about tax cuts, I am convinced it is right only for us to talk about how to get this country's fiscal policy under some control. We are up to our neck in debt. We are choking on fiscal policy debt, budget debt and trade debt, and we must straighten it out.

Not more than a month or two ago, we had people on the floor of this Senate trying to change the U.S. Constitution in order to require a balanced budget. Among those who bellowed the loudest about changing the U.S. Constitution are some of the same ones who now say what we want to do is not balance the budget, we want to cut taxes. This is a stew that we have tasted before. This recipe was concocted in 1981, and it resulted not in a balanced budget, as was promised by 1984. In fact it resulted in staggering massive public debt over the last decade and a half. Mr. President, nearly $4 trillion ago in debt we learned the lessons of this dilemma.

Our job is very simple. It is to aggressively cut spending and to use the money to cut the Federal deficit. And even to start paying down on the national debt and then turn our attention to finding out how we can change the tax system; yes, then to give some relief, but especially to give relief to middle-income working families who had to bear the burden of this Tax Code over all these years.

But to decide now at a time when we have this staggering debt, to decide now that what we need to do is the popular thing to simply propose a tax cut of $200 billion or in the next 10 years nearly three-quarters of a trillion dollars loss of revenue is preposterous. It may be popular, but it is not right.

I had not spoken about the specifics of the tax cut yesterday because it will not surprise anybody to learn the specifics. It is the same old Republican philosophy: Call it a tax cut for the rest, and give a big tax cut to the rich. Call it a tax cut for families, and give a big tax cut to rich families.

Class warfare? No, it is not class warfare to talk about that. It is talking about who gets what check in the mail as a result of these tax reductions.

If you are a family that has over $200,000 in income, the bill that passed last evening in the House of Representatives is going to give you an $11,200 a year average tax cut. If you are a family with less than $30,000 in income, you are going to get all of $124 and, in fact, a whole lot of folks are going to get nothing. If you make $15,000 a year and have three kids, that child tax credit means nothing to you. Zero. There is no $500 a child. You get zero.

The fact is, this tax bill is the same old thing from the same old boys that have always proposed this kind of remedy: It gives a very large tax cut to the very, very wealthy and gives a few crumbs to the rest.

Why? They believe if we pour in a lot of money at the top that somehow the magnificence of the top will spend this in a way that will help the rest.

I happen to think that the American economic engine runs and works best when we give working families something to work with. If we give a tax cut—and I do not think we ought to until we have solved the deficit problem in this country—we ought to provide real tax relief to real working families.

It is interesting to me as I have said, that the very same people who have fought the hardest to change the Constitution because they say we must balance the Federal budget are the first ones out of the chute who say now that we have had this debate about politics and polls over the Constitution, we will have another debate about politics and polls about our favorite subject: Cutting taxes, or cutting tax now, which we know exacerbates the deficit.

It does not reduce the Federal budget deficit, but expands and explodes the Federal budget deficit. Only those who do not care about this country's deficit could be proposing something that irresponsible at this point in this country's history.

Yes, I said I know it might be popular but it is not right. We all ought to put our shoulder to the wheel and do what is right. We know what is right—cut spending and use the money to cut the deficit.

Those who are off trying to suggest we should give tax cuts to the rich when we are choking on Federal debt in this country do no service to this country or its future or its children.

We are seeing a bill come out of the House of Representatives that has the same old proposals. I mentioned to the Senator from Wisconsin a proposal to eliminate the alternative minimum tax. I could bring names of companies—I will not, but I could bring names of companies to the floor—that every single American would recognize immediately, companies that made $1 billion, $500 million, $3 billion, $6 billion, and paid zero in Federal income taxes. Paid less money in Federal income taxes than some person out there working for $14,000 a year, struggling, working 10 hours a day, working hard all year, and they end up paying a tax.

An enterprise making $6 billion over a few years ends up paying zero. So we change that and said, ''You cannot end up paying zero any more. You have to pay an alternative minimum tax at the very least.''

It is called fairness. What did the House of Representatives do? They passed a bill that says we do not care about fairness. We will abolish alternative minimum tax and go back to the good old days of zero tax obligation for some of the biggest special interests in this country.

At the same time, they are saying, ''Let's give away the store in those circumstances,'' and just that provision—the one provision on the alternative minimum tax—gives away $4 billion to 2,000 companies. Mr. President, $4 billion washed away to 2,000 companies. That is $2 million a company.

I do not know how that is justifiable in the circumstances of the fiscal policy problems and deficit dilemma problem we have in our country. How is it justifiable? How will the proponents justify coming to the floor of the Senate and saying, ''We don't have enough money anymore to provide an entitlement to a school hot lunch to a poor kid. We will eliminate the entitlement status to a hot school lunch,'' because we frankly cannot afford it.

But we can afford to give somebody with a $400,000 or $200,000 annual income a check for $11,200 a year and say, ''Partner you are lucky. Here is a big tax break for you.''

We are running this big deficit and we have to cut back on dozens of programs dealing with issues of nutrition, issues of child abuse on Indian reservations, just name it, cutting back all of them, because we cannot afford it.

They say, ''But we can afford to hand over a very large tax refund to some of the biggest economic special interests in this country.''

I know when I finish speaking, and when the Senator from Arkansas finishes speaking, there will be people who say, ''Well, it is the same old complaint: Class warfare.'' You should not stand up and talk about who actually gets the benefit. Because if we talk about who gets the benefit, and you describe someone with $200,000 income getting an $11,200 check, and someone with $30,000 income getting $124, somehow you are being unfair.

It is unfair to point that out to the American people. That is not class warfare. That is a discussion of what is real about the proposals to change our revenue system.

I will support substantial changes in our whole revenue base when we are through this process of honestly trying to get this budget deficit under control.

Frankly, our revenue system does not work as well as it should. Our revenue system ought to be changed in a wholesale way to encourage savings. Our revenue system ought to be changed in a substantial way to tax more consumption than we tax and to encourage savings.

We ought not keep taxing work every chance we get. We hang every social good on a payroll tax. Frankly, our payroll taxes are too heavy. I bow to no one to my interest and desire to try and change our tax system. I do not believe it is right at this time, given the problems our country faces, to propose as a matter of public policy, very large tax cuts to very big special economic interests, and then come to the floor of the Senate and the House and crow about how Members want to change the Constitution to eliminate the Federal budget deficit.

Anybody who wants to eliminate the Federal budget deficit can do it honestly. The honest way is to aggressively reduce Federal spending in areas where we ought to reduce Federal spending, and continue to make investments where we ought to make investments, especially in the lives of children and then use the savings from reducing Federal spending to reduce the Federal budget deficit.

When we have set this country on a course in a constructive path to solve that problem, we ought to turn to the Tax Code. When we turn to the Tax Code, we should not have middle-income families turn out to be the losers.

Every single time somebody monkeys with the Tax Code, especially the majority party, somehow middle-income families end up getting less or end up paying the bill to provide tax cuts and big tax rebates and big generous refunds to the wealthiest Americans.

We ought to have learned in the last 50 years what works and what does not work. What works is to give working families something to work with. The biggest advantage we can provide working families in this country today is to reduce the Federal budget deficit.

We do that by cutting spending and using the savings to reduce the deficit. When we finish that job, then I think we can turn to the Tax Code. And I think we will do a substantially different job than was done over in the House of Representatives for fair tax cuts, for a fair tax system, for those people in this country who work hard and who have borne the cost of Government for far too many years.

Mr. President, I will have more to say about this subject along with some charts tomorrow. I notice my friend from Arkansas, a man noted for charts, has brought charts to the floor, so I am anxious to hear what he has to say. I yield the floor.

Mr. BUMPERS addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the Senator from Arkansas.

Mr. BUMPERS. Mr. President, I ask unanimous consent I be permitted to proceed for up to 10 minutes as in morning business

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

TAX FAIRNESS

Mr. BUMPERS. Mr. President, I cannot add or detract from what the Senator from North Dakota has just eloquently said.

I do have some charts that perhaps are a little more graphic, but I also want to say that one of the things that my wealthier friends not only back home but across the country say to me is, ''The thing I do not like about Democrats is they promote class warfare.''

The Senator from North Dakota alluded to that. I do not believe in class warfare. I believe in fairness, justice, and the judicial system, as well as in our economy.

What happened in the House last evening is one of the most bizarre things I have witnessed in my 20 years in the U.S. Senate. A tax cut—a tax cut—of about $180 billion over the next 5 years but which balloons to about $600 to $700 billion for the 10-year period.

In other words, $180 billion for the first 5 years, and between $400 and $500 billion for the next 5 years.

They say they will identify cuts to pay for it. We see in the House they can do that because they only have to project 5 years out. Our budget in the Senate requires the Senate to come up with a 10-year projection.

To get on with the story, I do not like class warfare but how do we say to the American people that the tax bill that passed last evening provides a tax cut for people who make over $200,000 a year, provides them a tax cut of $11,266—and that is per year—and provides an average for those who make zero to $30,000 a year, gives them $124 a year.

Mr. President, for the people who make less than $30,000 a year, the tax cut last night will not even buy a 13-inch pizza for the family to enjoy on Friday nights. Are we engaging in class warfare to bring up this fact? Is it class warfare to point out the unbelievable unfairness of this situation? I ask the American people and my colleagues, if you are going to provide a tax cut, how do you say to the American people that those who make over $200,000 a year are going to get a $11,000 tax cut and people who make $30,000 or less get a $124 tax cut? Class warfare? It is utterly the most bizarre thing I have ever seen.

Who do you think needs the tax cut most, the guy making $200,000 a year or the guy with a wife and two kids making $30,000 a year?

Let's discuss the capital gains part of the tax bill. Capital gains occur when you buy and sell stocks or other property. I agree with Felix Rohatyn, who I watched on CNBC yesterday, who said, ''I have never understood what economic benefit this country derives when somebody sells General Electric and uses the money and buys DuPont stock.'' What does that do for the economy, except fatten some broker's fees?

But look at this chart showing who benefits from the capital gains tax cut. Who benefits from it? You guessed it. Those who make $100,000 a year or more are going to get 76 percent of the benefit of this capital gains tax cut. What does this poor stiff get who makes only $30,000 a year? Only 6.4 percent of the capital gains tax cut. Class

warfare? Who believes that is fair, Mr. President? Who believes that the people making $100,000 a year or more—which includes every single Member of Congress—who believes we ought to be getting 76 percent of this tax cut. How can I believe that this is fair while the people of my State—where the median family income is less than $30,000 a year—will get only 6.4 percent of the cut?

Mr. President, here is a USA Today poll. It points out what I have been saying for months around here. I never lost a friend voting for a tax cut. It is so wonderful to be able to vote for a tax cut and go back home and say, ''Look what we did,'' and beat our chests. I get letters from people who want their taxes cut. But I get more letters from people who want the deficit reduced. People who are making $30,000 a year or less would gladly give up that $124 tax cut in return for a balanced budget. Do you know why? Because if we balance the budget, it will hold down inflation and interest rates. Mortgage interest will be less, interest on car loans will be less, the economy will be more stable, the dollar will stabilize. Why in the name of God are we considering this tax cut when polls like this one indicate that 70 percent of the people in this country say they want the deficit reduced before they want a tax cut? Only 24 percent of the people in this poll said, ''I want the tax cut over deficit reduction.''

Do you know who the House agreed with when they passed the tax cut last night? Not with the 70 percent of the people who say, ''Deficit reduction first.'' And, actually, not with the 24 percent of people who say they want a tax cut more than they want deficit reduction. No, the House agreed with this 5 percent of people who say, ''We want both.'' That is what the House is saying. ''We are going to cut your taxes and balance the budget, too.'' Think about it—5 percent of the people in this country saying we want both—and that is where the House comes down.

We tried that $3.5 trillion ago in 1981. Here is a graph that shows pointedly and precisely what happened. In 1981—and I remember it well—Ronald Reagan's press conference, after Congress passed his tax cut plan. He said, ''You have given me the tools. Now I will do the job. We will balance the budget by 1984 and with a little luck we will balance it in 1983.'' Those were Ronald Reagan's words.

Well, it did not happen. Instead the deficit shot up to record levels. I want it put on my epitaph that I was 1 of the 11 U.S. Senators who voted against those 1981 tax cuts. I said, ''You will create deficits big enough to choke a mule.'' They turned out to be big enough to choke an elephant.

Look at this chart. Here was our deficit in 1981 and here is how the Reagan administration said they would reduce the deficit. That was the promise. That was the siren song that an irresponsible Congress bought into.

But what happened? The deficit did not go down as promised. Look where it went. By the time we were supposed to have a balanced budget in 1983, we had $200 billion deficits and we have never had one less than that since.

Ironically, I can remember the last year Jimmy Carter was President, the deficit was $65 billion and people were threatening to impeach him. Unthinkable.

No, Mr. President, I am not voting for a tax cut. I am going to vote the way 70 percent of the people of this country want me to vote. When it comes to fairness, the tax cut, even if desirable, is hopelessly inequitable and unfair. The greatness of this Nation, the greatness of the Constitution, is it says each one of us counts. We are all somebody.

Whether you like Jesse Jackson or not, I always like it when he has those kids say, ''I am somebody.'' The soul of America is that each one of us counts. And no one of us should count for $12,000 or $11,000 a year more than the people who did not happen to be born quite so wealthy.

This chart shows where the deficit has been going since Bill Clinton became President. There it is in 1995. Here are his projections for the outyears and here is the projection the American people want. They want that deficit to continue going down. They do not expect miracles, but they do expect a responsible, thoughtful Congress to give this Nation a chance. Give our children a chance. You are not ever going to achieve the greatness of this Nation by cutting student loans, or AmeriCorps, where people can pay off their student loans.

When the families of America sit around the dinner table in the evening and talk about what they love most, it is not the tax cut. It is not that Mercedes out in the driveway. It is not that nice big split-level home. It is not the farm out back or that posh office downtown. What they talk about most is loving their children. In light of that, what do you think the ordinary American person with a family believes—that he or she should get a few dollars more in spendable income or that this Nation ought to start living within its means so that those children have a real opportunity, not a saran-wrapped opportunity, but a real one.

I come down on the side of all of those American families. My children are all grown. I have two grandchildren. They deserve better than they are going to get if we do not reverse our overspending ways; if we do not show the kind of responsibility they have a right to expect of us.

Mr. President, I believe the Senate will show a great deal more discretion in dealing with this, and if we do not, if we do not, the chart you saw a moment ago of what happened from 1980 to 1995 will just be compounded.

Mr. President, I have taken more time than I really intended to take. I feel very strongly about it and will speak again on the subject and again and again. My side may lose just as 11 of us lost in 1981. But I am absolutely certain without intending to be arrogant or self-serving that it will be one of the greatest travesties ever to befall this Nation.

Mr. President, I yield the floor.

EMERGENCY SUPPLEMENTAL APPROPRIATIONS ACT

The Senate continued with the consideration of the bill.

Mr. DOLE addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the majority leader.

Mr. DOLE. Mr. President, we had hoped that we might have an agreement reached on the rescissions bill. But apparently that will not be possible. So there will be a cloture vote at 2 o'clock. We will file cloture again today for a vote on Saturday because we intend to finish this bill before we leave for the Easter recess; spring recess.

I would hope that our colleagues on the other side would understand that we, this Senator and the Democratic leader, worked in good faith most of yesterday into the evening until 9 or 10 o'clock. So did other Members on our side of the aisle, the Senator from Pennsylvania, and both Senators from Arizona. And we believe we gave up a great deal to get an agreement. I thought there was an agreement until I read it in the morning paper.

So I was surprised when I later learned that our colleagues on the other side did not agree to the agreement we thought we had agreed to.

Having said that, I hope we can invoke cloture. If we do that, a lot of these amendments will disappear. I do not know how we can deal with 100-and-some amendments that are out there. But if cloture is obtained, that will shorten the process a great deal.

I do not know where the hot buttons are on the other side. I maybe know of one or two of them. But it seems to me many of the so-called ''cuts'' were in effect funny money and many of the add-ons are not going to be spent either. But if both sides felt they had a good position, I fail to understand what may have derailed the whole process.

But there will be a cloture vote at 2 o'clock. The second-degree amendments must have been filed by 1 o'clock. So it is too late to file second-degree amendments.

It is still my hope that Senator DASCHLE and I can bring everybody together here. I think we are pretty much together on this side. What we want is an agreement with no amendments. We do not want an agreement and then have everybody say we have 10 amendments here and 10 amendments there. If you have an agreement, you have an agreement. Right now we do not have an agreement.

So I just urge my colleagues to be patient, to take two aspirins, take a nap, whatever. If we finish this today, we

will finish some conference reports, and hopefully we will be in session tomorrow but no votes. If we do not finish today, we will be in session tomorrow with votes and we will be in session on Saturday with votes.

Mr. BUMPERS. Will the majority leader yield for a question?

Mr. DOLE. Certainly. I yield.

Mr. BUMPERS. The announced consent agreement has not been propounded yet has it?

Mr. DOLE. Only with respect to the adoption of the Jordan amendment.

Mr. BUMPERS. How many amendments do you anticipate would be allowed under an agreement?

Mr. DOLE. We thought we had narrowed it down to about four on each side. We thought some of those were acceptable. Some who had problems with the CPB, said, ''Well, give us $20 million somewhere else in spending restraints.'' So they have to be ''this or nothing.''

I think, as has been the attitude certainly of the Democratic leader, Senator DASCHLE, as we both know, it can still come together, and I hope it would because we could finish late afternoon and that would be probably the last vote until we come back from recess.

Mr. BUMPERS. I thank the leader.

Mr. SANTORUM addressed the Chair.

The PRESIDING OFFICER (Mr. THOMPSON). The Senator from Pennsylvania.

Mr. SANTORUM. Thank you, Mr. President.

Mr. President, I am incredibly disappointed at the outcome of this negotiation. I had hoped that the good-faith effort of the majority leader who stayed here late last night and worked on this bill late, and diligently, and I think more than bent over backward to accommodate leadership on the Democratic side to help them restore some of the money that they felt was so desperately needed for programs that they have long fostered and supported in this institution.

We have been working with the majority leader, several members of the freshmen class, Senator KYL from Arizona, Senator ASHCROFT from Missouri, Senator MCCAIN from Arizona, and myself have been working to try to craft an amendment that recognizes the concerns of the minority and at the same time preserve some of the objections that we had to the bill. Frankly, we thought we were pretty generous.

The minority leader came in and asked in the original amendment, the amendment that was pending, for almost $1.3 billion in more spending, more spending on almost all social programs; just more social program spending. These were not, just so you understand, the bill that came to the floor of the House—the Hatfield substitute was not—had increases in these programs. Every one of these programs that the minority leader asked for already had an increase from last year. They already had an increase, and in many cases huge amounts of increases. But they cut back a little bit on the rate of the increase with the Hatfield substitute.

The Democratic leader did not like that. So he jacked it back up. OK. We said, fine. You want to jack up some programs and put them back to the level that they were before, which was a dramatic increase over where we were last year, you think those are the most important, we understand the sensitivity you have, we are willing to work on that.

As Senator DOLE, and other freshmen, came forward with an amendment, we said we believe we should offset these expenditures not with money from a year or two down the road—which is what the minority leader, the Democratic leader—they pulled back money out that was funny money from years down the road. You want to spend money this year, let us take money out this year. That is the way we should do things around here, not spend more money this year and find funny money down the road to pay for it. We have been doing that a long time around here. Let us get serious.

And so we got serious. We made a serious compromise. And we thought we had a serious compromise agreement that would have accomplished three major things. No. 1, it would have given the minority leader, Senator DASCHLE, and folks on his side almost all of what they wanted in this increase in social spending—almost. Instead of $1.3 billion, we give $800 million in more spending—$800 million in more spending on many programs that are not exactly well received on this side of the aisle, like the AmeriCorps Program. We gave them an increase in the AmeriCorps Program from what the Appropriations Committee had suggested. We allowed an increase of $100 million in a program that in our amendment we wanted to cut by $200 million.

So from where we started, we gave them a $300 million increase. That was not good enough. We gave them all the money they wanted in WIC, school-to-work, child care, Head Start, $60 million of the $67 million they wanted for Goals 2000, title I, impact aid, safe and drug-free schools, Indian housing, housing modernization, community development banks—every social program, all the way down, they got almost all of what they wanted. We took some of their cuts. Some of the things they used in the original Daschle amendment to pay for this bill we accepted, we accepted as ways to pay for this.

And we said, OK, in exchange for not getting all that you wanted, we will not take all that we wanted. We will get rid of a lot of the proposed reductions that we wanted. And we put on the table some pretty minor things, folks—reducing the foreign operations, foreign aid by $25 million—$25 million; libraries by $10 million—and by the way, the libraries money was the President's rescission; that is the President's suggestion to us to take this money out, said it was not needed—Federal administrative travel, something that they agreed to, that they suggested we increase, we increased to a cut of $225 million. By the way, that is out of a $107 billion budget we are taking out $225 million for Federal travel, hardly something that the public is concerned about, that we are not traveling enough around here; water infrastructure; and, oh, the sticking point. We took out of their sacred little cow $21 million of $312 million. We took $21 million out of the Corporation for Public Broadcasting.

In the end, we would have had savings of $1.6 billion. They had additional spending of $800 million which would get us a net deficit reduction out of this amendment of $800 million. So we both win. They get $800 million more spending, we get $800 million in deficit reduction, so everybody sort of stands even.

I always thought that is what compromises were all about. And so I am hopeful that in the next 45 minutes, the other members of the Democratic caucus who seem to be holding up this compromise take a look at this and realize it is in the best interests of this body and this Congress and this country to move forward with this compromise piece of legislation and get this enacted.

Mr. President, I ask unanimous consent that a paper entitled ''Possible Compromise'' be printed in the RECORD.

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

Possible Compromise

[Dollars in millions]

	Cost
Add-Backs:	
Women, Infants, Children	$35.0
School to Work	25.0
Child Care	8.4
Head Start	42.0
Goals: 2000	60.0
Title I Education	72.5
Impact Aid	16.3
Safe and Drug-free Schools	100.0
Indian Housing	80.0
Housing Modernization	220.0
Americorps	105.0
Community Development Banks	36.0
Total	800.2

	Savings
Offset:	
Foreign Operations	$25.0
HUD Section 8 Project Reserves	500.0
Airport Improvement	700.0
Libraries	10.0
Federal Admin. and Travel	225.0
Water Infrastructure	62.0
IRS	50.0
Corp. for Public Broadcasting	[1] 21.6
Total	1597.0
Deficit Reduction	796.8
Addendum: Items in Dole amendment used in Defense Conference:	
Foreign Ops	$40.0
Legal services	15.0

[1] $3.4 million in 1997.

Mr. SANTORUM. I yield the floor.

APOLOGY FOR RADIO REMARKS

Mr. D'AMATO. Mr. President, two mornings ago I gave a radio interview on the Imus talk show program.

I am here on the Senate floor to give a statement as it relates to that episode.

It was a sorry episode.

Mr. President, as an Italian-American, I have a special responsibility to be sensitive to ethnic stereotyping. I fully recognize the insensitivity of my remarks about Judge Ito. My remarks were totally wrong and inappropriate. I know better. What I did was a poor attempt at humor. I am deeply sorry for the pain I have caused Judge Ito and others. I offer my sincere apologies.

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. GRASSLEY. 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. GRASSLEY. Mr. President, I ask unanimous consent to speak as if in morning business for 7 minutes.

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

REPORT OF THE BUREAU OF JUSTICE STATISTICS ON TORT CASE FILINGS

Mr. GRASSLEY. Mr. President, today I want to discuss a Bureau of Justice Statistics special report that is supposed to be released in the very near future. I am very disturbed about what I consider to be the political manipulation of a Government report.

This draft report concerns tort cases in State courts. One of the so-called findings of what is, undoubtedly, a flawed report, is that tort case filings have remained steady and that there is no tort litigation explosion.

I believe this document by the Bureau of Justice Statistics was clearly prepared for political reasons. This is underscored by the fact that the study conveniently omits any study of the cost of torts; it omits all Federal liability suits; and it is a scientifically flawed telephone-based survey on only a fraction of the counties in the United States. In addition, the report does not even address many of the important issues regarding tort reform.

Included in this report are some of the results from a study of tort cases in State courts. The study claims that the basis of this report is a representative sampling of the courts in which half of all tort cases nationwide are adjudicated. I disagree with that, Mr. President.

First of all, the report only involves 16 States and a total of 75 counties out of our more than 3,000 counties, but there is nothing scientific about their selection. They are simply the 75 most populous counties, and even if they were selected randomly, the results would not have been much better. Filings are not random occurrences; the number of filings in any set of counties cannot possibly represent anything but the counties that are being surveyed.

Worse, this study does not even involve the use of the most rudimentary sampling techniques. It relies on only the 75 largest counties and further stratified them so that only samples of the data in some of the counties were used.

After reading over this study, you will find that there is a lack of rational sampling methodology in selecting which counties would be used. There is absolutely no evidence contained in this Bureau of Justice Statistics special report that the counties selected are in any way representative of the entire United States.

However, once the counties were selected, only a few of those were used to select various kinds of data. The counties were divided into four strata, although it is not clear how the strata were defined. In the first strata, all 14 counties were selected for the first stage of the study; in the second strata, only 12 of 15; in the third, only 10 of 20; and in the fourth, only 9 of 26. In the second phase, the study relied on interval or random samples. It seems unusual to use more than one sampling method as they have here.

In this study, it reads:

> Contrary to the belief that there has been an explosion of tort litigation, tort case filings have remained stable since 1986 according to multi-State data.

Now, there is no rational way to identify whether there has been an explosion in tort filings or not from this study, since the data is limited to 1990 for the first phase of the study and for a 1-year period from mid-1991 to mid-1992. It should also be pointed out that the study was based on phone interviews in only 45 of the 75 largest counties.

Now, to determine whether there was an explosion in tort filings, it seems to me that you would need to start with data at least as far back as 1970, or maybe as late as 1980, and run a longitudinal analysis to see what happened. The study simply declares out of thin air that ''multi-State data'' since 1986 proves that there has not been any such explosion. Another concern I had was the fact that no financial data of any kind was shown anywhere in the report. Let me stress that again. In this whole study of tort liability explosion, there is no financial data of any kind involved in the report.

This means that there is no way to identify the most important of all indicators. The report simply omits any discussion of whether the size of tort awards had changed over the years.

Because there are no financial data, there is no way to see if venue shopping is real or not. For example, we know that awards in certain counties in Texas are extreme. However, you would not know that from this report.

The report also conveniently fails to provide any information on the effect of large tort awards on settlements. In other words, one could ask, are settlements made more often now without regard to the merits of the case because of the threat of an expensive suit? This study does not answer that question, and it does not do it, of course, because it also conveniently failed to include any data on award amounts.

Lastly, this report does not limit itself to the torts with which we are most concerned, those that affect products, like product liability, those that affect premises liability and medical malpractice. It does not include any of those. Instead, it includes auto torts, which make up more than 60 percent of all tort cases considered. This seems to make every other tort look minor, even though auto torts are very common. Generally, they are very quickly settled and, generally, they involve only one or two parties and relatively small amounts of money. By adding auto torts, the average time for the disposition of all torts falls to about 19 months, whereas the auto torts average less than 17 months.

Yet, all other torts average more like 2 years, involve more parties and they involve much larger amounts of money.

These are just a few of the criticisms that can be leveled at this flawed and ill-conceived report. But the more telling criticism has to do with the timing of its release. I am concerned about the possible political manipulation behind the report. We all know that President Clinton, and one of the most powerful special-interest supporters, the Trial Lawyers Association, opposes tort reform. Apparently, the original plan was to have the report out before the House considered tort reform. The goal now seems to be to release it before the Senate takes up tort reform. The Bureau of Justice Statistics claims the study has been in the system for several years. If this is so and they, indeed, had several years to compile this study, why is it so limited and so conveniently timed?

I strongly believe that this document by the Bureau of Justice Statistics was clearly prepared for political reasons. Once again, this is underscored by the fact that the study conveniently omits any study of the cost of tort, no study of the cost of torts. It omits all Federal liability suits and is a scientifically flawed telephone-based survey of only a fraction of the counties in the United States.

In addition, the report does not address the real issues, such as what effect do large awards have on settlements, and is there extensive venue shopping for those counties which consistently make the most outrageous awards?

You could hypothesize about the answers to these questions. That is why

our civil justice system is in need of reform, and studies like this, I think, cloud the issue. If this report comes out as written, the Justice Department should be embarrassed, the people in the Bureau of Justice Statistics should be ashamed that they allowed themselves to be used for political purposes, and I hope the Justice Department will try to reestablish some credibility and integrity by refusing to release this report or at least require it to meet minimum scientific standards.

I also hope and even challenge the media to look into this matter and shine some light on the political maneuvering that is going on over at the Justice Department.

The Assistant Attorney General, or Associate Attorney General, Mr. Schmidt, will be briefed on this tomorrow. He has an opportunity to make sure this study, if it is going to be used as a basis, is done in a more scientific and intellectually honest way and, most importantly, it seems to me, since this study has been supposedly going on for a long period of time, that we do not let it come out at just about this time that the Senate is going to discuss the issue of tort reform.

There has to be the integrity of an agency, as the Justice Department, particularly under this Attorney General, seems to have a great deal of independence and integrity, to make sure that there is not this sort of manipulation that is going to undercut the principal approach to running the Department that our Attorney General has assumed.

I hope that my speaking at this point will encourage another look-see at this report, and I hope that the report that I have seen will not be the one that comes out. I think there are plenty of checks and balances within our system to see that it does not, and I hope those checks and balances will work in this instance. I yield the floor.

EMERGENCY SUPPLEMENTAL APPROPRIATIONS ACT

The Senate continued with the consideration of the bill.

Mr. DASCHLE addressed the Chair.

The PRESIDING OFFICER. The minority leader.

Mr. DASCHLE. Mr. President, last night, the majority leader and I announced that we had a tentative agreement with regard to the pending legislation. We had hoped that as a result of our negotiations, which have been conducted in good faith on both sides, it would lead, hopefully, to an opportunity to come to some closure in the not-too-distant future on this important matter.

Unfortunately, as a result of differences on both sides of the aisle with regard to the agreement, amendments are likely which would significantly alter the result of the negotiations that have been ongoing.

As a result, the real prospect that the agreement could be successfully concluded in debate on the floor this afternoon becomes increasingly unlikely. I am disappointed because I feel it was an effort made on the part of many Senators—Republicans and Democrats—to bridge our differences to accomplish what we all want.

The amendment that I have had pending has now been pending for a week. Unfortunately, we have not had the opportunity during these negotiations to vote on it or on any other Democratic amendment. We have been hopeful that over the course of the last several days, we could have come to some conclusion about the agreement or about at least a time limit relating to the amendments, and come to some conclusion this week in one way or the other. That now does not look possible.

But the fact is, because we have not been given an opportunity to have votes on these amendments, we will come to the cloture vote this afternoon not having had one vote on one Democratic amendment. As a result, I urge my colleagues to protect our right to offer these amendments. I urge my colleagues to recall how important it is that the amendments that we have offered over the course of the last couple of weeks dealing directly with the concerns that have been raised on this floor now for more than 7 days, that we have the opportunity to have good debates about those issues prior to the time we come to closure on this vote.

As I have said on several occasions, we really have three goals here:

The first goal is to ensure the Federal Emergency Management Administration is adequately funded.

The second goal is to ensure that we provide the necessary deficit reduction that this rescissions package will allow, and we are now at a point of $15 billion in the total deficit reduction package.

And the third goal was one that all of us on this side of the aisle feel especially strongly about.

That is, if we are going to do it, we should do it right. If we are going to do it, we should ensure that we do not eat the seed corn. We should ensure that as we remember our priorities, we remember our kids and working families who are struggling to ensure that they can be productive citizens in this country.

Those are the three goals. Our whole effort, the amendment that we have pending, is designed to accomplish those three goals. Without that amendment, unfortunately, all we do is accomplish the first two goals. We provide adequate funding for FEMA. We provide for necessary deficit reduction, but we do it at the expense of kids. We do it at the expense of people who are counting on these investments so they can be the productive, working people that they want to be.

That is what this debate was about. So this cloture vote is very important. It is a cloture vote that will allow Members the opportunity to accomplish all three goals. Without defeating cloture we will not have that protection.

I want to emphasize as loudly and as plainly as I possibly can, our desire is not to hold up this bill. Our hope is that we do not have to hold up this bill. Our hope is that before we leave here, Democrats and Republicans can come to time agreements on amendments. We will have up-or-down votes on the amendments that are proposed on this side and do so in a way that will allow Members to get our business accomplished.

We will finish, we will have final passage, and we can all go home satisfied, however the votes may fall. We only hope we will be given the opportunity to have up-or-down votes on these issues because that is critical to the degree of enthusiasm, the degree of support that we ultimately will have for the bill itself.

I think it is very clear that for a lot of different reasons, we have not been given a right today to offer those amendments, and it is equally as clear that, unless we block cloture this afternoon, we will not have that right after 2 o'clock today.

So, Mr. President, I come to the floor to express regret. In good faith we have not been able to accomplish what I sincerely had hoped we could accomplish. Having said that, we now must accomplish what our original intent was, which was try to protect all three goals as we move toward final passage of this legislation.

I urge my colleagues to weigh carefully their decision on this cloture motion. I hope that we can defeat it, not in the interest of extending debate, not in the interest of prolonging this issue any longer than we have to, but in the interest of accomplishing the three goals and protecting our rights to offer amendments and improve legislation as these occasions arise.

So, Mr. President, to accommodate my colleagues who have amendments to the bill, it is important at this point, from a parliamentary procedure motion only, to withdraw my amendment to allow others to offer the amendments that they will so offer. I will certainly come back at a later time and describe, as we intend to, the importance of the amendments that will make in the composite what our amendment was originally designed to do as it was laid down last Friday. We will do that at a date or at a time later, perhaps today.

AMENDMENT NO. 445 WITHDRAWN

Mr. DASCHLE. Mr. President, at this time I withdraw my amendment.

I yield the floor.

The PRESIDING OFFICER. The minority leader has that right. Amendment No. 445 is withdrawn.

The amendment (No. 445) was withdrawn.

The PRESIDING OFFICER. As a result, the second-degree amendment No. 446, which was pending thereto, falls.

Mr. PRYOR. Mr. President, may I ask the Chair if we are in morning business at this time?

The PRESIDING OFFICER. The pending business is H.R. 1158.

Mr. PRYOR. Mr. President, I ask unanimous consent that I may speak as in morning business.

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

Mr. PRYOR. Mr. President, I thank the Chair.

(The remarks of Mr. PRYOR pertaining to the introduction of S. 687 are located in today's RECORD under ''Statements on Introduced Bills and Joint Resolutions.'')

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. LOTT. Mr. President, I just rise to really express my great disappointment that, after working for over a week, no agreement has been reached on this legislation. Now we will be going to a cloture vote at 2 o'clock. I certainly hope that cloture will be invoked. I remind my colleagues if that is done, we still will have lots of time to debate—30 hours, I believe. Germane amendments would still be in order. I think most of the key amendments that colleagues on that side of the aisle have been interested in would be germane.

But as it stands right now, I believe there are some 72 amendments on one side pending and a number on the other side. We still have 100 amendments at the desk. Many of them are obviously not germane and really nobody ever intended for them to actually be voted on, I suspect.

But after a week of negotiations, we basically came up emptyhanded. I know there was a lot of good-faith effort. I thought a reasonable agreement had been worked out between the Daschle amendment and the Dole amendment that was pending, with an understanding there would still be a few amendments that would be offered on both sides—two, three, four, five, whatever—but that we would find a way to bring it to conclusion.

Here we are Thursday afternoon. Presumably, we are going to go out tonight or tomorrow or Saturday or sometime for the Easter recess period. I just have to raise this specter. Are we now going to just let this die off, go off into the night with no results? No Department of Defense supplemental appropriations? No Jordan aid? No rescissions package? Is this the total white flag of our effort to begin to seriously deal with the needs for supplemental appropriations, commitments that have already been made and paid for in the Department of Defense, in disaster aid? And the first opening effort, the first shot to begin to deal with the deficit? Are we not going to be able to do any of that? Just collapse in a puddle of nothingness here in the Senate?

I cannot believe my colleagues would want to allow this to happen. We need to find a way to begin to make some savings. This bill provides some savings. The distinguished Democratic leader just said he would like to see this bill passed. The President has said he would like to see this legislation passed. We want it passed. Everybody wants it, but we do not seem to be able to get it.

I really think we need to work——

Mr. KENNEDY. Will the Senator yield on that point?

Mr. LOTT. To be able to find an agreement to bring all these issues to conclusion, one that I think would be basically satisfactory to both sides. Sure, we disagree on how we should get there. But maybe we should have just started voting, taking up issues and voting on them a week ago. But there was a feeling that we could reach an agreement, and that negotiating started I think last Thursday, and here we are a week later, emptyhanded.

So I really urge my colleagues here this afternoon to vote for this cloture motion so we can limit the list of amendments to somewhat of a reasonable number, at least germane amendments, and begin to get some limit on the time so we can bring all these issues to a conclusion. That is all we are asking for. That is all we were seeking yesterday.

I think it would certainly serve us well if we would invoke cloture here and then go forward.

Failing that, let us see if we cannot enter into some time agreements, some understanding about the limit of amendments. There has been no reduction really in the number of amendments that are pending out there. So I will be glad to yield to the Senator from Massachusetts, if he would like for me to yield. We are going to have to vote here in a minute.

Does the Senator want me to yield? I yield to the Senator from Arkansas.

Mr. PRYOR. Does the Senator from Mississippi yield for a question?

Mr. LOTT. Sure.

Mr. PRYOR. I cannot figure out for the life of me who over here is slowing down the defense supplemental appropriations bill. Could you name anyone who is slowing down that particular bill over here?

Mr. LOTT. They are all related, if I might respond to the Senator.

Mr. PRYOR. We have been overly anxious to get that bill out and get it sent to the President. We are anxious to get this bill acted upon. All last week, we were involved basically with an amendment offered by a Republican Senator, our friend Senator D'AMATO, from New York, relative to Mexican aid. We have been trying our very best to start voting on some amendments offered on this side, and we have yet to have been afforded that opportunity.

Mr. LOTT. I will respond to the Senator, there has been an effort going on to try to work out a process where we could vote on the related amendments, a number of amendments, and bring it all to a conclusion. We have not had the Mexican amendment really before us for quite some time. That was set aside last week so we could move on to other issues. We are about 3 degrees down the line past that amendment.

But in an effort to move this legislation, I think an agreement had been worked out that would have dealt with that and a number of other issues so we could bring it all to a vote. But they are related. All of these are related. We have to decide what we are going to do with the Jordan aid, where is it going to go? Of course, it is on this bill but it is not on the DOD appropriations bill, as I understand it, right now. So we are trying to get all these to positions where we can complete all this legislation.

Several Senators addressed the Chair.

Mr. SANTORUM. Will the Senator yield? I just wanted to follow up on a comment you made, which is the——

Mr. FORD. May I say to the Senator that you go through the Chair.

Mr. SANTORUM. Mr. President, of the 72——

The PRESIDING OFFICER. The Senator from Mississippi has the floor.

Mr. LOTT. Mr. President, I yield for a comment to the Senator from Pennsylvania; for a question to the Senator from Pennsylvania.

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. SANTORUM. Mr. President, is it not true, I ask the Senator from Mississippi, that 41 of the 72 Democratic amendments would be germane after this cloture vote? So 41 of the amendments that have been filed—41 is hardly a paltry sum—would be germane after this cloture vote would have been acted upon?

Mr. LOTT. I might respond, Mr. President, that is my understanding. I think most all of the portions of the pending Daschle amendment, with maybe one exception, could be offered under this cloture vote.

Mr. SANTORUM. My second question would be, of the Daschle amendment add-backs that we have debated here for several days, is it not also the Senator's understanding that every single one of those add-backs would be eligible to be added back after cloture, with the exception of the Goals 2000 provision which is neither in the House nor the Senate bill?

Mr. LOTT. Mr. President, I might respond, I have not looked at every one of them on that list to make sure or find out if that would be true, but I understand there is—maybe the Goals 2000 would be the only one not open to be offered after the cloture vote.

Mr. SANTORUM. I thank the Senator for yielding.

Mr. LOTT. Mr. President, I yield the floor, in view of the time, for the cloture vote.

The PRESIDING OFFICER (Mr. THOMAS). The Senator from Kentucky.

Mr. FORD. Mr. President, I hear all this blame put on us. In the last 2 years, all the blame has been the other way. I wish some of the leadership on the other side would give me an hour

so they could explain to me how they provided for gridlock in the last session so I would be better at gridlock this session.

You are now 6 days late on the budget. In the last 2 years, we have had the budget on time. It was due April 1. It is due out here, by both Houses, on April 15. We hear all this moaning and groaning and crocodile tears as it relates to we will not do that; we want to start saving; we want to start saving—but we have a budget that is due to put us on the track to 2002 and you are 5 days late, and we are not going to get it probably until May.

I say to my friend, let us get a budget out here. Let us really start doing things.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. DOLE. Mr. President, if I could proceed for 1 moment—1 minute?

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

Mr. DOLE. Mr. President, I still hope we can work this out. We were about that close, or closer. The Democratic leader and the Republican leader worked throughout the day with other Senators on both sides. We thought we had an agreement.

We thought we had an agreement. I still hope it is possible to get the agreement. If that happens, we could finish our work very quickly today and there would be no votes tomorrow or Saturday. But if not, then I do not think we have any other choice other than to try to complete this bill tonight with or without cloture.

So I still think there is a genesis of an agreement here. I would say to the White House, I hope that you will help us reach an agreement, because, until there is an agreement, there will not be any defense supplemental taken up in this body.

CLOTURE MOTION

The PRESIDING OFFICER. Under the previous order, the hour of 2 p.m. having arrived, the clerk will report the motion to invoke cloture.

The legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of rule XXI of the Standing Rules of the Senate, hereby move to bring to a close debate on the Hatfield amendment No. 420, to H.R. 1158, the supplemental appropriations bill, signed by 17 Senators as follows:

Senators Mark, Hatfield, Pete Domenici, Rick Santorum, Larry Pressler, Mitch McConnell, Slade Gorton, Rod Grams, Ben Nighthorse Campbell, Conrad Burns, Mike DeWine, Nancy Kassebaum, Ted Stevens, Jesse Helms, Robert F. Bennett, Spencer Abraham, Dirk Kempthorne, and Fred Thompson.

CALL OF THE ROLL

The PRESIDING OFFICER. By unanimous consent, the quorum call has been waived.

VOTE

The PRESIDING OFFICER. The question is, Is it the sense of the Senate that the debate on the Hatfield amendment number 420 to H.R. 1158, the supplemental appropriations bill, shall be brought to a close?

The yeas and nays are required. The clerk will call the roll.

The legislative clerk called the roll.

The yeas and nays resulted—yeas 56, nays 44, as follows:

[Rollcall Vote No. 127 Leg.]

YEAS—56

Abraham	Gorton	Moynihan
Ashcroft	Gramm	Murkowski
Bennett	Grams	Nickles
Bond	Grassley	Packwood
Brown	Gregg	Pell
Burns	Hatch	Pressler
Campbell	Hatfield	Roth
Chafee	Helms	Santorum
Coats	Hutchison	Shelby
Cochran	Inhofe	Simpson
Cohen	Jeffords	Smith
Coverdell	Kassebaum	Snowe
Craig	Kempthorne	Specter
D'Amato	Kyl	Stevens
DeWine	Lott	Thomas
Dole	Lugar	Thompson
Domenici	Mack	Thurmond
Faircloth	McCain	Warner
Frist	McConnell	

NAYS—44

Akaka	Feingold	Leahy
Baucus	Feinstein	Levin
Biden	Ford	Lieberman
Bingaman	Glenn	Mikulski
Boxer	Graham	Moseley-Braun
Bradley	Harkin	Murray
Breaux	Heflin	Nunn
Bryan	Hollings	Pryor
Bumpers	Inouye	Reid
Byrd	Johnston	Robb
Conrad	Kennedy	Rockefeller
Daschle	Kerrey	Sarbanes
Dodd	Kerry	Simon
Dorgan	Kohl	Wellstone
Exon	Lautenberg	

The PRESIDING OFFICER. On this vote, the yeas are 56, the nays are 44. Three-fifths of the Senators duly chosen and sworn not having voted in the affirmative, the motion is not agreed to.

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

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

CLOTURE MOTION

Mr. DOLE. Mr. President, I send a cloture motion to the desk.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate do hereby move to bring to a close debate on the Hatfield amendment No. 420 to H.R. 1158, the supplemental appropriations bill:

Bob Dole, Fred Thompson, Rick Santorum, Alfonse D'Amato, Chuck Grassley, Trent Lott, Larry Craig, Connie Mack, Craig Thomas, Jesse Helms, John H. Chafee, Thad Cochran, Mark Hatfield, Pete Domenici, Dan Coats, and Judd Gregg.

Mr. DOLE. Mr. President, let me indicate to the distinguished Democratic leader, who is on the floor, it is still my hope that we can reach some agreement. It seems to me we are not that far apart. We ought to be able to do it.

I am certainly prepared to sit down with the Democratic leader, or anyone else, if there is a problem. But, just in case we cannot work it out, then I have filed a cloture motion, because I do think it is important that we finish this bill so we can take up the defense supplemental bill and some other things after that.

But I am prepared and I think the Democratic leader is prepared and, hopefully, our colleagues are prepared. It seems to me we have one of two choices. Either we try to finish this tonight with no votes tomorrow, or we will be here tonight and tomorrow and maybe Saturday. But, that is up to our colleagues. I cannot believe any of these amendments are so critical they cannot wait until the next supplemental or until the appropriations bills start arriving.

I think there was a lot of give and take on each side in good faith. I thought we were almost there. But if we make an agreement and everybody says, ''Well, I will make the agreement but I want to go back and offer an amendment to try to undo the agreement,'' then we do not have an agreement. Either we have an agreement or we do not have an agreement.

I can agree, if you let me have 25 chances to improve on what I have already agreed upon, but I do not think that is an agreement.

I hope that we can resolve everything so that, when it comes to the floor, I can persuade the Senator from New York to withdraw the amendment with reference to Mexico. He has not done that yet. We have the Jordan aid in this package that I know the administration is very concerned about.

So I hope there would be some way to bring it together in the next, say, 45 minutes to an hour.

I also remind my colleagues on this side of the aisle, there is a Republican conference in progress in S. 207 which will end, hopefully, at 3 o'clock.

I am happy to yield the floor or yield to my colleague from South Dakota.

Mr. DASCHLE addressed the Chair.

The PRESIDING OFFICER. The minority leader.

Mr. DASCHLE. Mr. President, as I said before the vote, it was not our desire to hold up this bill. I will reiterate my sincere desire to work with the majority leader in finding an agreement.

What I hope we might be able to do, perhaps, is to maybe run two tracks, get some debate and offer some of these amendments. We could maybe work out some short time agreements and have a good debate, rather than just putting the Senate in a quorum call,

and then work simultaneously to see if we might not be able to address some of these concerns.

I agree with the majority leader. We are close and perhaps we can find a way to accommodate many of the concerns raised on both sides of the aisle.

But perhaps at the same time we might be able to accommodate some Senators who have been waiting patiently to be able to offer amendments. If we could do that, perhaps that might even accelerate our progress.

I reiterate my sincere desire, and I think the desire on this side, to work in earnest and try to accommodate everyone and successfully complete this bill.

I yield the floor.

Mr. DOLE. Will the Senator yield? We are prepared to vote on the amendment of the Senator from Massachusetts. I do not think we need any additional debate on that. I am for it, not that it makes any difference.

Mr. KENNEDY. We are quite prepared to vote. I do not think we need additional time. We wanted to do that at the earliest possible convenience. We welcome the opportunity to have a rollcall vote.

Mr. DASCHLE. I think the distinguished Senator from New York will be interested in speaking to the amendment prior to the time we vote, but I am sure there could be some relatively brief time agreement that we could work out to accommodate him, and others, who may yet want to speak. But I do not think it will take that long. I suggest we do that.

Mr. DOLE. Why do we not agree to have the time between now and 3 o'clock equally divided and then vote at 3 o'clock? I think the Senator from West Virginia also wants to speak on some other issue.

Mr. BYRD. I can wait.

Mr. DOLE. Is that satisfactory?

Mr. DASCHLE. If the majority leader will let me consult with the distinguished Senator from New York, Senator MOYNIHAN, to see how much time he may require, we can resolve this matter very soon.

Mr. DOLE. While the minority leader is checking, 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. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

FIRST 100 DAYS OF SO-CALLED REVOLUTION

Mr. BYRD. I thank the Chair.

Mr. President, tomorrow we will hear about the first 100 days of the so-called revolution, and about the success of the misnamed contract with America. I call the contract misnamed because so many Senators on both sides of the aisle claim never to have signed it, and many Americans have no idea what it is, much less any idea of its various provisions. The term ''contract'' is usually reserved for binding documents which two or more parties have agreed to and signed. But, not so with this so-called contract with America. It is simply the wish list of the extreme faction of one political party, packaged to sell better by giving it the legitimacy of the word ''contract.'' It is clever, essentially meaningless ad-man lingo, probably conjured up by some pollster.

But, in any event, the Nation will, no doubt—at least part of the Nation—be glued to the TV sets on Friday evening to hear the 100-day report on the progress of the so-called contract, as promised. But everything about this made-for-TV drama will be somewhat of a fantasy.

First, as I have already indicated, the contract is merely a made-up device. Second, the so-called 100-day report is not occurring after 100 days. Friday, April 7, will only be the 94th day since the convening of the 104th Congress. The real 100th day will occur on Thursday, April 13th, smack in the first week of the April congressional recess. So we will be getting the report on the so-called contract, which is not really a contract, on the so-designated 100th day, which is really only day 94. But, then of what import are messy details when one is busy manufacturing nonnews while conducting a pseudo revolution?

We will undoubtedly hear of the wild success of the so-called contract when, in fact, only two of its provisions have been enacted into law, and these two were relatively noncontroversial. In reality, two of the contract's major tenets, the balanced budget amendment and the term limits proposals have gone down to defeat, while a third, a misnamed proposal being loosely called line-item veto which, by the way, may be found to be unconstitutional, may be stuck in a House/Senate conference for perhaps a long time. Only in Washington would this type of report card be touted as successful. Rather than a 100-day report on the progress of the contract, this coming performance might be better billed as a 94-day alibi for the failure of an extremist agenda.

The truth of the matter is that the so-called contract is pretty much of a flop. And just like a bad play in the theatre, a bomb is a bomb. You can punch up the dance numbers, spice up the dialog and gussy up the costumes a little bit, but in the end a flawed script will flop and nothing on God's green earth will save it.

Likewise, at the end of this particularly bad show this so-called contract will also be judged a flop and a failure. That will happen because the contract is a giant gimmick comprised of other lesser gimmicks, and it does not address real problems in our Nation. It merely packages several old canards which are holdovers from the last popular Republican administration and calls them reform. It reruns a lot of 1980's political bumper sticker slogans and calls them a program for change. The Revolution has come to Washington! Rejoice all mad-as-hell citizens! Well, if this is a revolution, it must certainly be called the retread revolution. Term limits, balanced budget amendment, line item veto, enhanced rescission, separate enrollment, tax cuts—there is a tough one; there is a tough one—all of these old bald tires have been around for years.

And what about those tax cuts? Mr. President, earlier this year the House of Representatives passed the balanced budget constitutional amendment in just 2 days—2 days. A similar measure failed to pass the Senate by only two votes. During the debate on these proposals, Republicans nearly drowned the American people in a sea of rhetoric proclaiming the need for such an amendment.

Deficit reduction, it was claimed, was the most pressing issue facing Congress today. We heard a lot about our responsibility to future generations, about the need for fiscal discipline, and about the need to make tough choices. The American people were told that there would be shared sacrifice among all for the good of the Nation. Everyone was going to do his fair share to beat back the economic dragon of deficit spending.

For weeks we heard lofty speeches in this body over the need to reduce deficits. Now, for the House to come right along behind that debate and enact a huge tax cut financed by cuts in general spending makes a mockery of all the hot air we heard in this body about deficit reduction. To suggest squandering our budget savings on tax favors for the well to do and for big corporations is just plain crazy. For the House of Representatives to pass a tax cut giveaway which will cost the American people $189 billion over 5 years and approximately $700 billion over 10 years is clearly walking away from any serious attempt to reduce the deficit.

We will hear a lot of talk about the winners and the losers under the so-called contract in the coming days. But, in my view, there are no winners when what should be a serious attempt to address the Nation's problems is replaced with glitzy media shows, overblown rhetoric, one-line solutions, and junk legislation enacted in a rush to meet a phoney deadline, and huge tax cuts designed to benefit the well to do. We all lose. We all lose when that kind of superficial excuse for leadership is offered to the people as a substitute for the real thing.

The truth is that Barnum and Bailey's is not the only show in town this week. All of this touting of a revolution and praising of a nonexistent contract with America is nothing more than a less entertaining version of the same sort of circus.

This contract is a sham and it will ultimately be judged a failure because the American people will never choose

the so-called contract over the Constitution, the Constitution of the United States of America. It will fail because it is mostly form devoid of substance. It will fail because it opts out of trying to find solutions to real problems, and instead tries to rig the game and rearrange our cherished checks and balances in order to further a misguided political agenda. And it will fail because it plays on people's fears and anger, instead of nourishing their hopes and their dreams.

It will also fail, I believe because of the genius of the Framers in their crafting of a U.S. Senate, designed to slow things down, educate the public and talk things through in extended debate.

For my part, I only wish that tomorrow night, instead of the touting of some made-up, fabricated so-called Contract With America in a partisan attempt to manufacture fervor for a political agenda, the American people will hear a detailed explanation of how the last 94 days have once again demonstrated the innate wisdom, power, and grandeur of the only contract ever agreed to by the people of America and sworn to by all of the Members of the Senate and the House. That contract is the Constitution of the United States of America.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The minority leader is recognized.

Mr. DASCHLE. Mr. President, I have consulted with colleagues on this side and I think as a result of our discussions in recent minutes that we will be able to enter into a fairly short-time agreement on this particular amendment.

Whatever length of time the distinguished Senator from Massachusetts would like to speak I think will be all the time required on this side. We would be prepared to vote.

Mr. KENNEDY. Mr. President, could we have 15 minutes, evenly divided? I will be glad, as I had previously indicated to the leadership, make a brief presentation. And I am glad to accommodate the timeframe. I could complete my statement in a shorter period, or take a few extra minutes.

I will be glad to begin, and when the leaders work out a time agreement, I will accommodate it.

Mr. DASCHLE. Mr. President, I suggest the Senator begin his remarks, and in the meantime we will try to work out an agreement.

AMENDMENT NO. 448 TO AMENDMENT NO. 420

(Purpose: To state the sense of the Senate regarding tax avoidance by certain former citizens of the United States)

Mr. KENNEDY. Mr. President, in a few moments, we will consider the amendment numbered 448. To again familiarize the Members of the Senate of its intent, I will read it. It is a brief amendment.

This amendment states that it is the sense of the Senate that Congress should act as quickly as possible to amend the Internal Revenue Code of 1986 to provide for taxation of accrued gains at the time that a person relinquishes U.S. citizenship; and it is the sense of the Senate that the amendment referred to should take effect as if enacted February 6, 1995.

This is defined as the billionaires' amendment.

Just to review the amendment very quickly, Mr. President, it was part of the small business health care deduction bill to permit the self-employed to deduct 25 percent of their premiums.

It had been included by the Finance Committee, and was a part of the legislation which we passed. This provision addressed a serious loophole in the Internal Revenue Code.

That loophole can be explained as follows: An individual can accumulate massive sources of wealth, owe their fair share of taxes to the Internal Revenue Code, renounce their American citizenship, become what I consider to be a Benedict Arnold, change their residency to another country, and effectively avoid and evade any responsibility to pay their fair share of taxes on all unrealized gains.

It has been estimated that the cost of this tax avoidance is $3.6 billion, including both American citizens and permanent resident aliens.

It is important to note that the measure reported out of the Finance Committee related only to American citizens. I am hopeful that the Finance Committee and the Ways and Means Committee, when they revisit this issue, will consider the administration's proposal, which would include both American citizens and permanent resident aliens.

This provision only affects about 25 Americans a year. But the cumulative loss to the Federal Treasury is $1.5 billion over a 5-year period and $3.6 billion over a 10-year period.

This matter is of major importance, Mr. President, because the Senate is now debating the rescissions legislation, rescissions meaning cuts in a number of different programs. These are programs that the Congress has authorized, and for which we have made appropriations. The President has signed these measures into law, and now Congress is revisiting these commitments and deciding how to cut the various programs.

The Daschle amendment that is before the Senate would restore funding for some of these programs: the voluntary community service program called AmeriCorps; the drug-free schools program, which assists parents, schoolteachers, and school boards with the problems of substance abuse and violence in the schools; the chapter 1 education program, which assists disadvantaged children; the Goals 2000 Program, which would provide sufficient funding for 1,300 school districts around the country for needed reforms and improvements in academic achievement; the well-known Head Start Program, that has been extended to 0- to 4-year-olds, so that intervention can take place to help children, particularly toddlers, as defined by the Carnegie Commission report; the Program for Women, Infants, and Children [WIC], which provides expectant mothers with high-quality nutrition; the School-To-Work Program, that is being reviewed now before our Human Resources Committee and will provide one-stop shopping for youth trainees; and the child care program, which is so essential for working families to ensure that their children are adequately cared for.

The amendment restores approximately $700 million in these programs. Other programs in the amendment for training and housing total $700 million. That requires a restoration of $1.4 billion, and we have spent days debating this amendment. By and large, most members of the Senate have voted in favor of these programs. A handful have not, but by and large it has been a bipartisan effort.

At the same time, we are not recovering the $1.4 billion from those Americans who are renouncing their citizenship and turning their backs on America. If they were not renouncing their citizenship, they would owe that money to the Federal Treasury. We have not recaptured that money. It was dropped in the conference committee on the small business legislation. The small business legislation with the appropriate language, which had been accepted in the Finance Committee, accepted on the floor of the Senate, and went to the conference, came back without the necessary language.

With this amendment, we are saying that the membership feels that this loophole must and should be closed, and will be closed at the first opportunity. And the date will be made retroactive to the date of original introduction by President Clinton, who has taken a personal interest in closing this loophole.

The majority leader has indicated that he will support it. The chairman of the Finance Committee has said that he will support it. The Senator from New York, Senator MOYNIHAN, as well as Senator BRADLEY and other members of the Finance Committee, have all expressed their support.

The vote is important because we want to make sure that the Senate's hand is strengthened when the measure goes to conference. Hopefully, this will be a unanimous vote, which will further strengthen the hand of the Senate. It will be a clear indication that the Senate of the United States wants this loophole closed, and that the renunciation of citizenship, after an individual has taken advantage of the American free enterprise system, and the avoidance of the responsibility to pay a fair share of taxes, is unacceptable.

An individual has every right to renounce his or her citizenship and leave America, and we have some 800 every year who do so. We are not saying that they cannot leave. We are saying that

if they decide to leave, they should pay their taxes prior to their leaving.

Mr. DORGAN. Mr. President, I wonder if the Senator will yield for a question?

Mr. KENNEDY. Yes. Let me finish with one thought.

This provision is not a new concept. The concept itself is already included in the Internal Revenue Code but is drafted such that it does not protect against this egregious loophole. This new provision will close the loophole.

I am glad to yield.

Mr. DORGAN. I appreciate the Senator yielding. I know he has been waiting for a week to offer this sense-of-the-Senate amendment. I know also this was dropped from a previous piece of legislation that has been through this Chamber and I cannot conceive of anyone in this Chamber who would vote against this proposition.

As I understand the current tax law—and I might ask the Senator to confirm this—that if you have accumulated substantial assets and wealth in this country and have substantial gains on those assets and then decide to renounce your citizenship and leave the country, we'll give you a special deal. You do not have to pay tax on the way out on your gains.

I am going to bring something to the floor later this session on another perverse tax incentive that says, ''Close your manufacturing plant in America and move it overseas and we will give you a tax break for that as well.''

As I understand it, what the Senator is offering is a sense-of-the-Senate amendment saying let's close the loophole by which people can renounce their citizenship and leave this country with substantial amounts of accumulated gains in income and end up paying no taxes. Is that the current tax circumstance?

Mr. KENNEDY. The Senator has stated it accurately and correctly. It is a provision that is probably as inoffensive to all fair-minded Americans as any other before this body. As we debate our priorities on the floor, we have an opportunity to reduce the deficit or invest these resources in our children and our educational system.

We can give a clear, resounding message to our members of the Finance Committee so that this egregious loophole will be closed at the next possible opportunity.

Mr. DOLE. Is the Senator prepared to vote at, say 5 after 3?

Mr. KENNEDY. I will be glad to vote at 5 after 3.

Mr. DOLE. Up or down on the amendment?

Mr. KENNEDY. I appreciate that.

Mr. President, I call up amendment 448.

The PRESIDING OFFICER. Without objection the pending amendments will be set aside.

The clerk will report this amendment.

The bill clerk read as follows:

The Senator from Massachusetts [Mr. KENNEDY] proposes an amendment (No. 448) to amendment No. 420.

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

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

The amendment is as follows:

At the appropriate place in the amendment, insert the following:

SEC. . SENSE OF THE SENATE REGARDING TAX AVOIDANCE.

(A) IN GENERAL.—It is the sense of the Senate that Congress should act as quickly as possible to amend the Internal Revenue Code of 1986, to eliminate the ability of persons to avoid taxes by relinquishing their United States citizenship.

(b) EFFECTIVE DATE.—It is the sense of the Senate that the amendment referred to in subsection (a) should take effect as if enacted on February 6, 1995.

Mr. DOLE. Did we get the yeas and nays?

The PRESIDING OFFICER. We have not gotten the yeas and nays.

Mr. KENNEDY. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The yeas and nays are ordered, vote at 5 after 3.

Mr. KENNEDY. Mr. President, I will be glad to yield the floor if others want to address the issue. I will just take a few moments to mention one or two other facts.

The question was raised about this provision's constitutionality. I will place more complete statements in the RECORD, but I will now note the opinions of three very thoughtful international law experts. Prof. Andreas Lowenfeld of NYU said:

I am confident that neither adoption nor enforcement of the provision in question would violate any obligation of the United States or any applicable principles of international law.

Prof. Detlev Vagts of the Harvard Law School said:

The proposed tax does not amount to such a burden upon the right of repatriation as to constitute a violation of either international law or American constitutional law. It merely equalizes over the long run certain tax structures.

And Michael Matheson, a legal advisor at the State Department, said:

This provision does not conflict with international human rights laws concerning an individual's right to freely emigrate from his or her country of citizenship . . . . These are comparable taxes to those which U.S. citizens or permanent residents would have to pay were they in the United States at the time they disposed of the assets or at their death.

The overwhelming international law opinion on this measure is that it in no way restricts the constitutional right of exit or of renunciation of one's citizenship.

These international law experts understand this measure, and recognize that these individuals have accumulated this wealth through the American economic system, and have a responsibility to pay their fair share of taxes. As they understand it, the amendment would only recover what is owed to the Internal Revenue Service, which is part of one's responsibilities of citizenship.

Mr. President, we have appreciated the strong support that we have received on this measure.

This matter was brought to the attention of the President of the United States a number of months ago, and he personally pursued it with the appropriate committees and the Treasury Department. Through his individual oversight, the matter was spotted and will be corrected.

With the vote today, we are telling our good friends in the House of Representatives that we are serious about this measure, and that it is a significant issue of justice. The renunciation of one's citizenship is deplorable, but it is a right that we respect. But the renunciation of citizenship by individuals so that they do not have to pay their fair share of taxes is wholly unacceptable. It is sufficiently compelling to generate a resounding vote.

Mr. President, I would just take another moment of the Senate's time. We were questioned earlier about the revenue estimates. It is interesting that the figures of both the Senate Finance Committee and the administration are very similar. The administration's proposal estimated a cost of $1.5 billion, and the Finance Committee estimated a cost of $1.359 billion. Those figures are remarkably close. The Finance Committee's estimate was less than the President's figures because the Finance Committee estimated the cost for only American citizens, not permanent resident aliens. If we included permanent resident aliens, the committee estimate would perhaps exceed the President's estimate. Nonetheless, we have two solid estimates approaching $1.5 billion.

The President's proposal estimates a cost of $3.6 billion over a 10-year period. That is a very substantial amount, which, if not collected, will either add to the Federal deficit or deny us the opportunity to invest in our first order of priorities, our children and our education system, through the Head Start Program, the chapter 1 program, child care programs, job training programs, the student loan program, and our School-To-Work program. All of these programs reach out to the youngest of our citizens to make certain that they are going to get a healthy start, an even start, and a fair start in life, and be able to provide for themselves and for their own children in the future.

Mr. President, I ask unanimous consent that a November 21, 1994, article from Forbes magazine that explains this egregious tax loophole be printed in the RECORD.

I look forward to the vote itself.

I yield the floor.

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

[From, Forbes, Nov. 21, 1994]

THE NEW REFUGEES

(By Robert Lenzner and Philippe Mao)

''Over and over again courts have said that there is nothing sinister in so arranging one's affairs as to keep taxes as low as possible. Everybody does so, rich or poor, and all do right, for nobody owes any public duty to pay more than the law demands: taxes are enforced exactions, not voluntary contributions. To demand more in the name of morals as mere cant''—Judge Learned Hand.

''I talk to a new client interested in expatriating every week. Many people can't pay the federal tax rate and live in the style they want.'' So said Francis Mirabello, the head of the personal law department at the Philadelphia office of Morgan, Lewis & Bockius, speaking at a Bermuda conference on offshore money early this fall.

Expatriating? Give up U.S. citizenship? Who in his right mind would give up his U.S. citizenship? Lots of people. You could practically fill a Boeing 747 with well-heeled U.S. citizens who have taken of foreign citizenship rather than submit to what Learned Hand called ''enforced exactions'' at a level that amounts to virtual confiscation. The exodus may speed up under an Administration that campaigned for office on a tax-the-rich platform.

In 1981 Ronald Reagan lowered taxes. The following year not a single American gave up his citizenship. In 1993 the expatriate community grew by 306 names.

The expatriates of recent years have included:

Michael Dingman, chairman of Abex, and a Ford Motor director. Dingman is now a citizen of the Bahamas and lives there.

Billionaire John (Ippy) Dorrance III, an heir to the Campbell Soup fortune. Dorrance is now a citizen of Ireland and lives there as well as in the Bahamas and Devil's Tower, Wyo.

J. Mark Mobius, one of the most successful emerging market investment managers. Born a U.S. citizen, Mobius has the German citizenship of his ancestors and lives in Hong Kong and Singapore.

Kenneth Dart, an heir to Dart Container and his family's $1 billion fortune. He is a citizen of Belize and works in the Cayman Islands.

Ted Arison, founder of Carnival Cruise Lines. He kept Israeli citizenship and now lives there.

These newer emigrants join others of longer standing, including Robert Miller, the co-owner of Duty Free Shoppers International Ltd. Miller has a British passport obtained in Hong Kong, though he was raised in Quincy, Mass.

The U.S. is virtually the only country in the world that imposes significant income and death taxes on the worldwide income and assets of every citizen, even if the citizen is domiciled elsewhere. Even Canada, semisocialist, did away with estate taxes.

''Expatriation has been called the ultimate estate plan,'' says William Zabel, senior partner of Schulte Roth & Zabel, one of the nation's foremost authorities on trusts and estates, and author of the upcoming book The Rich Die Richer—And You Can Too.

The arithmetic is simple and brutal. A very rich Bahamian citizen pays zero estate tax; rich Americans—anyone with an estate worth $3 million or more—pay 55%. A fairly stiff 37% marginal rate kicks in for Americans leaving as little as $600,000 to their children. The marginal rate—what you pay on an additional dollar of assets—ranges upward from there to 60%. You get a credit for some or all of your state inheritance taxes, but your combined rate will still be in this range, or higher.

There are huge potential income tax savings, too, in giving up U.S. citizenship. St. Kitts-Nevis and the Cayman Islands, among others, levy no income taxes. Little wonder so many of the expatriate Americans have gone to the Caribbean for a year-round suntan.

Not that living in the Bahamas is any great sacrifice. Michael Dingman is building a 15,000-square-foot home at the exclusive Lyford Cay club in Nassau that will include a dock for his personal yacht. Cost: more than $10 million, but—who knows?—he might save more than that much in taxes.

The heirs of John (Ippy) Dorrance III, the Campbell Soup heir, won't have to pay Uncle Sam the maximum bite of 55% of the 26.7 million shares of Campbell Soup that make up most of his $1-billion-plus fortune. His new fatherland, Ireland, levies a 2% estate, or probate, tax. In any event, Dorrance doesn't escape the full federal income taxes. There's a U.S. withholding tax of 30% on the $30 million he gets in dividends every year from Campbell.

Many of these expatriates agonize over the decision, however. ''I have serious reservations about expatriation for patriotic and practical reasons,'' says tax expert Zabel. ''It is extraordinarily difficult for Americans to get back their citizenship once it is given up. To get it back you have to start like any other nonresident alien, with a green card, and go through the naturalization process.

''Before expatriating I make my clients consider all the limitations on loss of citizenship—like giving up the ability to travel to the U.S. more than 120 days a year.''

But losing that American passport isn't as hazardous as it once was. Profligate government policies are steadily eroding the value of the U.S. dollar, making overseas investments increasingly preferable for the wealthy. Investments in emerging markets look increasingly attractive. The end of the cold war means wealthy Americans can live in many developing nations safely. Global communication and jet travel facilitate an offshore lifestyle. What with computers and cable TV, you can be as well informed, and as quickly, living in Antigua as in New York City.

It certainly seems that way to Frederick Krieble, a director and former treasurer of Loctite Corp., the Rocky Hill, Conn. manufacturer of sealants and adhesives. Krieble, whose father, Robert, was formerly Loctite chairman, moved to Turks and Caicos Islands, where he runs an investment company. Krieble owns almost 1 million shares of Loctite, worth over $43 million.

''It's 85 degrees, but the market's down 35 points,'' Krieble told Forbes recently. When he heard we wanted to discuss the subject of expatriation, Krieble clammed up. ''I don't wish to discuss that. Have to run now.''

Yes, it's a bit embarrassing, but consider the consequences: decimation of your estate and huge reductions in your aftertax income.

Thus many money managers, senior executives and self-made entrepreneurs are on the phone quizzing their lawyers and accountants about how to leave the high-tax U.S.

Jane Siebels-Kilnes, a vice-president of Templeton, Galbraith & Hansberger, in Nassau, told Forbes she was ''following in the footsteps of Sir John Templeton,'' who gave up his U.S. citizenship in 1962 and moved to Nassau. Thus when Templeton sold his mutual fund management company in October 1992, he may have saved more than $100 million in capital gains taxes. Templeton, an extremely generous and public-spirited man, gives most of his money away. Apparently he wants to decide who gets the benefits rather than letting Donna Shalala or Mario Cuomo decide.

Siebels-Kilnes became a Norwegian citizen this year and moved her residence from Fort Lauderdale, Fla. to Nassau. ''I've spoken to a number of hedge fund managers who are thinking of giving up their citizenship. It may be better to be offshore running offshore money before American authorities clamp down on the advantages,'' says Siebels-Kilnes.

A hot spot: St. Kitts-Nevis. All it requires is owning $150,000 worth of local real estate and paying $50,000 in fees, and presto. St. Kitts-Nevis levies neither a personal income tax nor an estate tax.

Top executives of midwestern industrial companies nearing retirement are considering expatriation as a way to ensure a high standard of living in a comfortable environment.

Is it greed alone that impels these citizenship changes? Not necessarily.

''These people love to challenge all the rules, even recognizing they may isolate themselves,'' says Carol Caruthers, a partner of Price Waterhouse in St. Louis. ''We are doing preliminary planning for a few of them.''

Expatriation is a fairly easy choice for many wealthy Americans who hold dual citizenship—as Mobius already did—and whose wealth is heavily concentrated abroad anyhow.

''Since they may inherit these assets, a planning opportunity might be to give up U.S. citizenship in order to avoid taxation on assets and income that have no connection to the U.S.,'' says Robert C. Lawrence III, a Cadwalader Wickersham & Taft partner in New York who is advising on several such expatriations.

You'll need an ace attorney. If the Internal Revenue Service suspects you are renouncing your citizenship to avoid taxes, it will try to tax your holdings for another ten years, no matter where you live. All the IRS need establish is that it is reasonable to believe you gave up citizenship to avoid taxes. Then, the burden of proving the move was not for tax reasons falls on the former citizen.

But whatever the drawbacks, many nations put out the welcome mat for tax-averse Americans.

Lawyer Mirabello, who is working on six expatriations, is changing citizenship for a superwealthy Chinese-American whose headquarters is in Hong Kong. He has never set foot in the U.S. and wants to avoid estate taxes when he passes the empire to his children.

Some of Mirabello's clients are considering becoming Irish citizens. What does that require? Certainly no hardship, given what a pleasant place Ireland is for those with money. They need only buy a home there and reside there at least part of the year.

Why Ireland? An Irish passport lets its holder travel hassle-free in any member of the European Union. It also has more panache than a passport from Belize or St. Kitts, two small tropical outposts. And, Dublin is being developed as a global money center with tax advantages for individual and corporate investors.

How do you get an Irish passport? It should be fairly easy for the rich. New regulations will probably require a $1.6 million investment in a job-producing operation like the reforestation of an area or modernization of a shipbuilding concern. This is the so-called business migration scheme, administered in Dublin by the Department of Justice. Its guidelines are currently being reexamined for political reasons.

Another attractive destination is Switzerland. ''You can pretty well negotiate your

own private agreement with a Swiss canton about your annual income taxes,'' asserts Lawrence.

Can an affluent American keep the politicians at bay without sacrificing citizenship? It's not easy. Wealthy people hold over $2 trillion in offshore accounts from Zurich to the Cayman Islands. No doubt some of these accounts are held by Americans who—illegally—omit mention of them on their tax returns.

Merrill Lynch, like all major investment firms, has a piece of this business. Merrill will not accept offshore accounts from U.S. citizens, but it is eager to service foreigners.

''Offshore money is growing faster than any other part of the financial services industry. It's multiplying at a double-digit rate of growth,'' says Nassos Michas, head of Merrill Lynch's private banking division. Merrill's trust bank in the Caymans, with assets growing at over $100 million a month, has almost $5 billion of wealthy individuals' holdings.

Actually, the Caymans trust is just a file for legal purposes. Merrill's banks in Geneva, New York and London hold the securities. The accounting is done in Singapore, the administration is done on the Isle of Man, famed for its trust business.

Wealthy Europeans, Latin Americans, Asians and Middle Easterners are Merrill's principal clients here. They want to buffer their fortunes against expropriation, political unrest, economic instability, angry first wives, kidnapping, family members, creditors and potential litigants.

Wealthy Europeans have expatriated their money to safety ever since the French Revolution, when they began hiding it in Switzerland.

When the Germans occupied the Netherlands in 1940, this activated a trust instrument transferring ownership from the homeland to a trust at a U.S. bank. In Europe, where the pounding of marching feet and air raid warnings are of recent memory, use of such trusts was common, at least up until the collapse of the Soviet Union.

Today many wealthy Kuwaitis have trusts offshore to protect their fortunes from Saddam Hussein. The rich in Latin America, Southeast Asia and the Middle East remember that it was only yesterday that their countries were ruled by thieving populists or arbitrary soldiers.

What is new is that Americans are beginning to feel the same sort of residual uncertainty about their posessions. They see courts eroding property rights. They read about bureaucrats who talk about ''tax expenditures'' when referring to that part of your earnings that they permit you to keep. They are subjected to retroactive taxation under the Clinton ''deficit reduction bill.'' They live in a society that changes the tax rules so frequently that long-term planning is almost impossible.

So they consult legal experts like Cadwalader's Lawrence, who is an authority on generational and international planning, including the use of trusts, and taxation. ''They want to sequester, organize and protect the privacy and maintenance of their wealth, plus the freedom to transfer it as they wish,'' says Lawrence.

But how, short of leaving for some sand dune in the Caribbean?

There are several clever strategies you can use to minimize the future tax bite on your estate, but the fact is that Congress has done a very thorough job of plugging chinks in the tax code. Parking assets abroad or setting up holding companies will not get you out of the U.S., steep income and estate tax rates. You really have to give up citizenship to get a big tax savings.

It's easier for foreigners who have property in the U.S. to avoid the worst of American taxation, but even for them there are pitfalls. They must pay U.S. estate taxes on assets held in the U.S. unless they safeguard them by means of an offshore legal structure. Only certain fixed-income investments are immune from the IRS.

A foreigner can shelter his U.S. assets in the following way: Set up a trust outside the U.S. in some tax-advantaged locale, such as Bermuda, the Cayman Islands or the British Virgin Islands. ''The foreign trust must own an underlying holding company, called a private investment company (pic),'' Lawrence says.

''The pic opens an investment account in the U.S. Otherwise, a foreign individual who has a stocks-and-bonds portfolio of U.S. companies would be subject to U.S. estate tax. If the securities are owned by a true foreign corporation, the individual is not subject to the estate tax. The foreign corporation acts like a shield to the estate tax.''

The IRS can't be happy about these paper shuffling arrangements. Indeed, Lawrence is afraid it may crack down on them. But before you cheer at the prospect of making them furriners pay up, remember this: The U.S. needs foreign capital because we don't save enough. We must compete for that capital with lots of other places. Treat the capital shabbily and it can go elsewhere.

''I'm afraid that foreign capital may be scared away from the U.S. because of taxes and the complexity of our regulation,'' Lawrence warns.

It could happen, Lawrence insists. He points to the Foreign Investment in Real Property Tax Act, passed in 1980, which forces foreigners to pay a capital gains tax when the sell real estate in the U.S. We shudder to think what would happen to the U.S. stock and bond markets if foreign paper holdings were similarly taxed.

It will come as a shock to many people to learn about the growing band of expatriates. But it is not unpatriotic to remind Americans that ours is no longer the only show in town as a place to invest. At a time when we urge developing countries to cut taxes and make capital more secure, a lot is happening to make it less secure and more heavily taxed at home. Those who give up their citizenship to escape Clintonomics and wealth redistribution are only the extreme part of a worrisome trend.

AVOIDING CONFISCATION

Short of renouncing citizenship, how do you protect the family fortune from confiscation by the tax code writers in Congress and in the U.S. Treasury?

The first, and easiest, tax-saving maneuver is to give money away while alive. If the heirs are young or irresponsible, you can put the gift in a trust and get the same tax advantages.

There are two advantages to gifts over bequests. One is that the first $10,000—per year, per recipient, per donor—is free from gift tax. If both you and your spouse give for a long time and you have many heirs, that exclusion can make a serious dent in your estate. With five heirs, two donors and 20 years to make the transfers, you can get $2 million out of your estate scot-free.

The other advantage is that the gift tax is somewhat lower than the estate tax. The two taxes use the same rate schedule, but the gift tax is calculated in a way more favorable to the tax-payer. Say you give $1 million to a grandchild when you are in the 60% bracket for federal gift tax. (That rate applies when your cumulative gifts, after the exclusion, are between $10 million and $21 million.)

The total cost of the gift will be $1.6 million—$1 million to the grandchild, $600,000 to the IRS. But at your death, that $1.6 million would be divided $960,000 (60% of $1.6 million) to the IRS, only $640,000 to the grandchild.

Caution. If you die within three years of making a gift, your taxes will be recalculated to negate the advantage of giving over bequeathing.

Another defensive maneuver is the grantor retained annuity trust (FORBES, Jan. 31). You transfer your business to a trust whose beneficiaries are your heirs. Out of the trust you carve yourself an annuity. The trust pays your annuity out of business earnings.

You figure the discounted present value of the annuity you retained, and subtract this amount from the value of the business in order to arrive at the value of the gift. The annuity gives you income while keeping your tax able gift to a minimum.

Business owners are also availing themselves of the ''minority discount'' rule (FORBES. Mar. 1, 1993) For example, your software firm is worth $10 million. Carve it up into ten shares and give one share each to ten heirs. Each share may be worth only $700,000 on a gift tax return, because no outside investor would want to be a minority owner in a family business.

If the family heirloom is a house, a variation on the GRAT may work well. You give your residence to your heirs, retaining the right to live in it for a specific period (Forbes, June 24, 1991). Again, the carve-out reduces the value of the gift.

Another innovation is the dynasty trust. Each grandparent puts $1 million worth of property in a trust in South Dakota for the benefit of grandchildren and great-grandchildren. Why South Dakota? Because it permits trusts to last in perpetuity; most states allow them to last no more than 21 years after the death of anyone now living. Why only $1 million? Because if you transfer more than that you will get hit with a punitive ''generation skipping tax.''

Note that a dynasty trust doesn't relieve you of the usual gift tax. It might, however, let you keep an asset in the family for a long, long time. The asset is hit with a transfer tax only once, when you set up the trust, rather than again and again as each generation passed on.

''There's no one device to solve all the problems. It's a combination of solutions,'' says Richard Covey, a partner at Carter, Ledyard & Milburn in New York. ''I find most wealthy people outside of New York don't know about these tricks.''

What about life insurance? The inside buildup of assets gets passed on to your heirs tax-free, but the premiums you pay must be reported as gifts. Life insurance is somewhat overtouted as an estate tool but it does have its advantages, especially if you die before your time.

You also can buy a tax-deferred annuity from a foreign life insurance company, typically German or Swiss. If the annuity is fixed rate and denominated in deutsche marks or Swiss francs, it may protect your nest egg from a deteriorating dollar (Forbes, June 20). You may also opt for a variable policy that is invested in stocks or mutual funds.

But you won't save taxes unless your estate administrator is willing to commit a felony by omitting it. So the main legal benefit of these overseas insurance policies appears to be that they may—repeat, may—be beyond the reach of creditors.

For a while the very wealthy were able to defer tax on portfolio profits by investing in overseas funds that had a majority of shares held by foreigners. But the 1986 tax put a stop to this game.

After the 1986 crackdown, the main thing that offshore funds can do for you is give your fund manager more flexibility in trading. Domestic funds must be diversified, must avoid getting too much of their profits from short term trading, and have limits on leverage. Foreign funds escape these rules, says Joel Adler, a partner in Sutherland, Asbill & Brennan in New York.

The bottom line is that there isn't much that wealthy Americans can do to protect their assets from a covetous state. Which explains, if it doesn't excuse, the drastic step taken by more and more people of giving up their U.S. citizenship. R.L. and P.M.

TAXATION OF EXPATRIATES

Mr. MOYNIHAN. Mr. President, I wish to speak to the matter raised by the distinguished Senator from Massachusetts. We should not countenance the evasion of taxes by those who renounce their citizenship. The Senate should act to address this problem expeditiously.

A genuine abuse exists. Although the current Tax Code contains provisions, dating back to 1966, designed to address tax-motivated relinquishment of citizenship, these provisions have proven difficult to enforce and are easily evaded. One international tax expert described avoiding them as ''child's play.'' Individuals with substantial wealth can, by renouncing U.S. citizenship, avoid paying taxes on gains that accrued during the period that they acquired their wealth and were afforded the myriad advantages of U.S. citizenship. Moreover, even after renunciation, these individuals can maintain substantial connections with the United States, such as keeping a residence and residing in the United States for up to 120 days a year without incurring U.S. tax obligations. Indeed, reports indicate that certain wealthy individuals have renounced their U.S. citizenship and avoided their tax obligations while still maintaining their families and homes in the United States, being careful merely to avoid being present in this country for more than 120 days each year.

Meanwhile, the rest of Americans who remain citizens pay taxes on their gains when assets are sold or when an estate tax becomes due at death.

It was this Senator who made the first proposal in the Senate to deal with the expatriation tax abuse. On February 6, the President announced a proposal to address the problem in his fiscal year 1996 budget submission. Three weeks ago, on March 15, during Finance Committee consideration of the bill to restore the health insurance deduction for the self-employed, I offered a modified version of the administration's expatriation tax provision as an amendment to the bill. My amendment would have substituted the expatriation proposal for the repeal of minority broadcast tax preferences as a funding source for the bill. The amendment failed when every Republican member of the Committee voted against it. Subsequently, Senator BRADLEY offered the expatriation provision as a freestanding amendment, with the $3.6 billion in revenue that it raised to be dedicated to deficit reduction. Senator BRADLEY's amendment passed by voice vote. That is how the expatriation tax provision was added to the bill that came before the Senate.

After the Finance Committee reported the bill, but before full Senate action and conference with the House, the Finance Committee held a hearing to further review the issues raised by the expatriation provision. Tax legislation routinely gets polished in its technical aspects as it moves through floor action and conference. At the Finance hearing, we heard criticisms of some technical aspects in the operation of the provision, as well as testimony raising the issue of whether the provision comported with article 12 of the International Covenant on Civil and Political Rights, which the United States ratified in 1992. Section 2 of article 12 states: ''Everyone shall be free to leave any country, including his own.'' Robert F. Turner, a professor of international law at the U.S. Naval War College, argued that the expatriation provision was problematic under the covenant. The State Department's legal experts disagreed, as did two other outside experts whose letters were before the committee. I refer to Prof. Paul B. Stephan III, a specialist in both international law and tax law at the University of Virginia School of Law; and Mr. Stephen E. Shay, who served as International Tax Counsel at Treasury under the Reagan administration.

Mr. President, I ask unanimous consent that the written testimony of Professor Turner, the written testimony of the Department of State, and the letters of Professor Stephan and Mr. Shay be printed in the RECORD at the conclusion of my remarks.

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

(See exhibit 1.)

Mr. MOYNIHAN. Mr. President, although there was considerable support for the legality of the provision, I thought it best to proceed with caution in these circumstances. These are matters of human rights under international law, on which we have rightly lectured others, and involve our solemn obligations under treaties. I sought the views of other experts. Letters concluding that the expatriation provision did not raise any problems under international law were received from Prof. Detlev Vagts of Harvard Law School and Prof. Andreas F. Lowenfeld of New York University School of Law. The State Department issued a lengthier analysis upholding the legality of the provision, and the American Law Division of the Congressional Research Service reached a like conclusion. However, there were dissenting views, most notably Prof. Hurst Hannum of the Fletcher School of Law and Diplomacy at Tufts University, who first wrote to me on March 24.

Mr. President, I ask unanimous consent that the letters of Professors Vaghts, Lowenfeld, and Hannum, and the memoranda from the American Law Division of CRS and the Department of State, be printed in the RECORD at the conclusion of my remarks.

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

(See exhibit 2.)

Mr. MOYNIHAN. Mr. President, this is where things stood when the House-Senate conference met on March 28. The weight of authority appeared to be on the side of legality under international law, but there was some question, and the bill had to move at great speed. As my colleagues well know, the legislation restoring the self-employeds' health insurance deduction, for calendar year 1994, needed to be passed and signed into law well in advance of this year's April 17 tax filing deadline, so that the self-employed would have time to prepare and file their 1994 tax returns. The decision regarding the expatriation provision had to be made without further opportunity of deliberation. I opted not to risk making the wrong decision with respect to international law and human rights.

The decision to drop the expatriation tax provision from the final conference version of the bill has been the subject of much debate over the last week. I certainly don't presume to speak for the other conferees. But for myself I repeat as I have said on two occasions on this floor over the past week: We should proceed with care when we are dealing with human rights issues, particularly when the group involved is a despised group—that is, millionaires who renounce their citizenship for money.

As the Senator who first proposed the expatriation tax provision, I will see this matter through to a conclusion. We are getting more clarity on the human rights issue, and it appears that a consensus is developing to the effect that the provision does not conflict with our obligations under international law. In particular, it is worth noting that Professor Hannum, who first wrote me on March 24 expressing his concern that the expatriation provision was a problem under international law, has, after receiving additional and more specific information about the expatriation tax, now written a second letter of March 31 stating that he is ''convinced that neither its intention nor its effect would violate present U.S. obligations under international law.'' This is the growing consensus, although it is not unanimous.

Mr. President, I would further ask unanimous consent that Professor Hannum's March 31 letter be printed in the RECORD at the conclusion of my remarks.

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

(See exhibit 3.)

Mr. MOYNIHAN. Mr. President, as for criticism of the technical difficulties of the original proposal, I believe

they can be satisfied. Indeed, I would venture that if some of those criticizing the provision's technical aspects had put even half as much effort into devising solutions as in highlighting shortcomings, we would already be much further along toward a satisfactory statute.

One final point, of utmost importance. As we take the time to write this law carefully, billionaires are not slipping through some loophole and escaping tax by renouncing their citizenship. The President announced the original proposal on February 6, and made it effective for taxpayers who initiate a renunciation of citizenship on or after that date. This was an entirely appropriate way to put an end to an abusive practice under current law. Both the proposal that I initiated, and the one that was ultimately adopted by the Finance Committee, also used February 6, 1995, as the effective date of the new provision preventing tax evasion through expatriation. The House conferees had proposed slipping the effective date to March 15, 1995—the date of Senate Finance Committee action on the provision. The two chairman of the tax-writing committees ultimately—and wisely—resisted that overture, and have issued a joint statement giving notice that February 6 ''may'' be the effective date of any legislation affecting the tax treatment of those who relinquish citizenship. Given the potential for abuse under current law, I believe that February 6 must be the effective date for a new rule. In any event, given the President's announcement in the budget, the Finance Committee action, and the joint statement of the two chairman of the tax-writing committees, individuals who are contemplating renunciation of their U.S. citizenship are on fair notice of the February 6, 1995, effective date.

To repeat, as the Senator who first offered the proposal to end the expatriation tax abuse, I will do everything I can to see that this matter gets resolved. We will do it this session. Fundamental justice to all taxpaying Americans requires no less.

In an effort to advance that goal, I will shortly introduce legislation embodying a revised expatriation tax proposal. I do so in the interest of ensuring that the issues that have been raised are addressed satisfactorily, and in a timely manner. This revised proposal represents a serious effort to address the criticisms that have been raised, and I believe it will be a major step forward.

Mr. President, we will end this abuse, and promptly, but in a careful and orderly way, as we should do in matters of this importance.

EXHIBIT 1.—INTERNATIONAL LAW AND THE ''EXIT TAX'': DOES SECTION 203 OF THE TAX COMPLIANCE ACT OF 1995 VIOLATE THE ''RIGHT TO EMIGRATE'' RECOGNIZED IN THE U.N. COVENANT ON CIVIL AND POLITICAL RIGHTS AND OTHER U.S. AND INTERNATIONAL LEGAL INSTRUMENTS?

(By Robert F. Turner)

Mr. Chairman, it is an honor and a pleasure to appear before the subcommittee this morning to explore the human rights ramifications of the so-called ''exit tax'' contained in Title II of H.R. 981, the ''Tax Compliance Act of 1995.''[1]

Before turning to the merits of the issue, I would like to make three caveats in connection with my appearance here today.

First of all, I am testifying in my personal capacity as a scholar interested in the subject of International Law; and, although I currently occupy the Charles H. Stockton Chair of International Law at the Naval War College while on leave of absence from the University of Virginia's Center for National Security Law, my appearance is unconnected with either of those relationships. Any similarities between the views I express and those of the War College, the Navy, the University of Virginia, or any other institution or organization, is purely coincidental.

Secondly, I want to stress the start that I have absolutely no expertise on the substantive issue of tax law. I will therefore have to pass on any questions you might wish to raise predicated upon such a knowledge.

Finally, since my invitation to testify was not extended until late Friday afternoon (four days ago)—and because of prior commitments and travel requirements, I had less than one day to work seriously on my testimony—my prepared statement is not as detailed as I might otherwise have preferred. The basic human rights issue is, of course, not new to me—ironically, I believe I first looked at the ''right of emigration'' professionally more than two decades ago when the Jackson-Vanik Amendment came before the Senate while I was on the staff of Senator Robert P. Griffin of Michigan—and I don't believe the pressures of time have prevented me from accurately setting forth the basic legal rules by which this statutory provision should be judged. I have not had a great deal of time for serious analysis, however; and while I venture some very tentative conclusions, I suspect that each of you will be able to apply the legal rules to the proposed new statute at least as well as I have been able to do in the limited time available. Candidly, I have gone back and forth on the issue—I don't find it to be a clear cut case.

Thus, I do not appear before you this morning for the purpose of either supporting or opposing the so-called ''exit tax'' provision of the tax bill. I do believe that upholding the rule of law is important, and I do believe that this provision may raise a sufficiently serious question under International Law that it warrants additional consideration before making a final decision on Section 201. To that end, I commend you for scheduling this hearing.

Even if in the end you conclude that the provision does not, in reality, violate the Nation's solemn human rights treaty commitments, if there is even a colorable claim to the contrary that might be raised to undermine future US efforts to enforce human rights laws, it might be wise to avoid even the appearance of violating these laws. In the end it may come down to balancing the importance of the tax code provision against the potential harm that might result if we are perceived as having violated these important rules of international human rights law.

As an aside, I also have a professional interest in issues of US Constitutional Law—indeed, I have testified before at least half-a-dozen congressional committees on issues of Constitutional Law in the past few years—and I have the impression that this provision may also raise issues in that area.[2] However, considerations of time, and my understanding of the scope of my invitation this morning, led me to refrain from examining those issues in sufficient depth to make a meaningful contribution today on that issue.

THE GROWTH OF A LEGAL RIGHT TO EMIGRATE

Today the right of citizens to renounce their citizenship and leave their own country is almost universally recognized as a fundamental civil right, but its widespread recognition as creating international obligations is of relatively recent origin. The origin of the right can arguably be traced back nearly 2500 years, to the famous Dialogues of Plato, in which Socrates says to Crito: [H]aving brought you into the world, and nurtured and educated you, and given you and every other citizen a share in every good which we had to give, we further proclaim to any Athenian by the liberty which we allow him, that if he does not like us when he has become of age and has been the ways of the city, and made our acquaintance, he may go where he pleases and take his goods with him. None of . . . [our] laws will forbid him or interfere with him. Any one who does not like us and the city, and who wants to emigrate to a colony or to any other city, may go where he likes, retaining his property.[3]

The 42nd paragraph of the original 1215 version of the Magna Carta issued by King John at Runnymede guaranteed the right of ''any one to go out from our kingdom, and to return, safely and securely, by land and by water, saving their fidelity to us''; but this ''right to travel'' was omitted from the forty-six subsequent versions—including the one issued by Henry III in 1225 usually associated with the term ''Magna Carta''—on the grounds that such a right seemed ''weighty and doubtful.''[4] Nor, for that matter, is it clear that the right to ''travel'' included a right to emigrate—a right far more easily sustained now that people have changed from ''subjects'' of the King to ''citizens'' of the State.

In 1791, the French Declaration of the Rights of Man affirmed the right ''to come and to go'' from the State as a ''natural'' right.[5] By 1868 the U.S. Congress was on record by statute that: [T]he right of expatriation is a natural and inherent right of all people, indispensable to the enjoyment of the rights of life, liberty, and the pursuit of happiness. . . . Therefore, . . . any declaration, instruction, opinion, order, or decision of any officers of this government which denies, restricts, impairs, or questions the right of expatriation, is declared inconsistent with the fundamental principles of this government.[6]

More recently, Section 349(a) of the Immigration and Nationality Act recognizes a right of every citizen to relinquish US citizenship.[7] Just a decade ago, the US Court of Appeals for the Ninth Circuit observed that ''expatriation has long been recognized as a right of United States citizens,'' and noted that ''the Supreme Court [has] placed the right of voluntary expatriation solidly on a constitutional footing.''[8]

The proposed ''exit tax,'' of course, does not expressly challenge this well-established right to emigrate—it merely provides that a few very wealthy citizens will be forced to pay a 35% tax on appreciated assets should they wish to exercise this constitutional

[1] Footnotes at end of article.

right. The issue you have invited me to address is whether such a tax would bring the United States into noncompliance with any binding rules of International Law. I am not sufficiently versed on issues of tax law to answer that question with any real confidence, but perhaps I can be of assistance by at least summarizing the existing international law binding upon the United States concerning the human right to emigrate.

INTERNATIONAL LAW AND CONSTRAINTS ON THE RIGHT TO EMIGRATE

Mr. Chairman, perhaps it would be most helpful if I began by briefly setting forth the status of the right to emigrate under International Law. I will first consider the relevant conventional (treaty) law binding upon the United States, followed by a look at some ''nonbinding'' international documents which may shed light on these issues, and finally I will discuss the very important area of customary international law (which, under the Statute of the International Court of Justice, is considered as equal in authority to conventional law[9]).

CONVENTIONAL INTERNATIONAL LAW

The effort to codify international human rights law is of quite recent origin, essentially coming in the wake of World War II and the establishment of the United Nations. Article 55 of the UN Charter establishes as a goal the promotion of ''universal respect for, and observance of, human rights and fundamental freedoms for all without distinction as to race, sex, language, or religion.'' In Article 56, ''All Members pledge[d] themselves to take joint and separate action in co-operation with the Organization for the achievement of the purposes set forth in Article 55.''

An important first step was the unanimous adoption (with eight abstentions, including the Soviet Union and several other Communist States) on 10 November 1948 of the ''Universal Declaration of Human Rights'' as a UN General Assembly Resolution. Such resolutions do not have legal effect,[10] and the Declaration was clearly viewed as aspirational at the time—indeed, the United States delegate expressly stated that the resolution ''is not and does not purport to be a statement of law or of legal obligation.''[11] However, there is a very strong consensus today that the Declaration is legally binding by virtue of reflecting customary international law. It will be discussed below under customary law.

THE INTERNATIONAL COVENANT ON CIVIL AND POLITICAL RIGHTS

In an effort to follow up the Declaration with a series of binding treaties, in 1966 the United Nations General Assembly unanimously approved the International Covenant on Civil and Political Rights, which entered into force on 23 March 1976. The following year, it was signed by the Carter Administration and on 23 February 1978, it was submitted to the Senate for its advice and consent.

In 1991, President Bush asked the Senate to consider the treaty, and hearings were held late that year in the Foreign Relations Committee, which recommended approval of the treaty by a unanimous vote (19–0). On 2 April 1992, the Senate consented to the ratification of the treaty with a variety of proposed reservations, understandings, and declarations[12]; and the instrument of ratification was deposited with the United Nations on 8 June of that year with the recommended additions—none of which apply directly to the issue at hand.[13] The United States thus joined more than 100 other States in assuming a solemn international legal obligation to abide by the terms of the Covenant.

It is perhaps worth noting that the unanimous report of the Foreign Relations Committee on this treaty categorized the ''rights enumerated in the Covenant'' as being ''the cornerstone of a democratic society.''[14]

The Covenant was designed to be a legally-binding international treaty setting forth ''inalienable rights'' which were ''derive[d] from the inherent dignity of the human person.''[15] Article 12 of the Covenant provides:

Article 12

1. Everyone lawfully within the territory of a State shall, within that territory, have the right to liberty of movement and freedom to choose his residence.

2. Everyone shall be free to leave any country, including his own.

3. *The above mentioned rights shall not be subject to any restrictions except those which are provided by law, are necessary to protect national security, public order (ordre public), public health or morals or the rights and freedoms of others,* and are consistent with the other rights recognized in the present Covenant.

4. No one shall be arbitrarily deprived of the right to enter his own country. [Italic emphasis added.][16]

The American Society of International Law commissioned an excellent study of The Movement of Persons Across Borders, edited by two of the nation's foremost scholars in this area (Professors Louis B. Sohn and Thomas Buergenthal), which provides important background on the interpretation of the Article 12 of the Covenant. Among other things, the authors note that one of the reasons Article 12 was written was that, ''[n]otwithstanding Article 13(2) of the . . . [*Declaration*], some countries prevent their nationals from leaving, prescribe *unreasonable conditions such as exacting taxes or confiscating property* . . . [emphasis added]''[17]

While Article 12 embodies a ''fundamental right,'' it is not an ''absolute right'' in the sense that a State may not legitimately place some reasonable restrictions by law on the right of emigration. In addition to preventing individuals accused of serious crimes from leaving,[18] for example, it is clear that a State may require a citizen to pay any normal tax obligations or other public debts.[19] However, people who wish to emigrate may not lawfully be required to surrender their ''personal property,'' and ''Property or the proceeds thereof which cannot be taken out of the country shall remain vested in the departing owner, who shall be free to dispose of such property or proceeds within the country.''[20]

It seems to me that a key issue with respect to the proposed US ''exit tax'' is whether or not it represents a normal tax obligation applicable to all citizens irrespective of their wish to emigrate. To the extent that it constitutes a special requirement on individuals because of their desire to emigrate, then the Government would presumably have the burden under the Covenant of establishing that the law is ''necessary to protect national security, public order (ordre public), public health or morals or the rights and freedoms of others. . . .''[21]

It may be relevant that efforts were made during the drafting of Article 12 to broaden this list of permissible exceptions to include such concepts as promoting a State's ''general welfare'' and ''economic and social well-being,'' and these were rejected as being ''too far-reaching.''[22] Restrictions on freedom of movement were only to be permitted in ''exceptional'' circumstances.[23] Professor Louis Henkin, of Columbia Law School, has noted that: The Covenant . . . is not to be read like a technical commercial instrument, but ''as an instrument of constitutional dimension which elevates the protection of the individual to a fundamental principle of international public policy.'' Rights are to be read broadly, and limitations on rights should be read narrowly, to accord with that design.[24]

This view is widely shared by other experts in the field.[25] Discussing Article 12 in a lengthy 1987 article in the *Hofsta Law Review,* a group of four attorneys from the New York firm of White & Case concluded: Although it is accepted that there may be restrictions imposed on the right to emigrate, these restrictions are of an exceptional character and must be strictly and narrowly construed. The right to emigrate is primary; the restrictions on that right are subordinate and may not be so construed as to destroy the right itself.[26]

For the record, the United States is now also to the *International Convention on the Elimination of All Forms of Racial Discrimination,* which prohibits barring freedom of movement (and many other enumerated rights) on the basis of ''race, colour, or national or ethnic origin''[27]—however, this treaty does not appear to be relevant to the issue at hand. There are several other international conventions which guarantee the right to emigrate, including regional agreements underlying the European, African, and Inter-American human rights systems. However, the United States is not a Party to these, so in the interest of time I have not addressed their specifics. (While they do serve as evidence of customary legal obligations, in this area the statutory language of the Jackson-Vanik Amendment [discussed *infra*] assures that the United States is bound by customary law in this area.)

OTHER INTERNATIONAL INSTRUMENTS OF RELEVANCE

As already noted, the Universal Declaration of Human Rights was intended to be aspirational and not legally binding upon the 48 States that voted to approve it. Because it reflects customary law, it will be discussed under that heading—but it also stands as an important non-treaty human rights document.

Another very important international document clearly not intended to create binding legal rights was the Final Act of the Conference on Security and Cooperation in Europe (Helsinki Accords), which expressly incorporated the *Declaration.*[28] Time has precluded me from addressing these types of instruments further, but they are probably not critical to a resolution of the issue.

CUSTOMARY INTERNATIONAL LAW

Perhaps the most important written source of customary international law[29] is the *Universal Declaration of Human Rights,* approved as a UN General Assembly Resolution on 10 November 1948 and already noted above. The *Declaration* provides:

Article 13

1. Everyone has the right to freedom of movement and residence within the borders of each State.

2. Everyone has the right to leave any country, including his own, and to return to his country.[30]

During the debate on the Jackson-Vanik Amendment in 1974 (discussed infra), this document was occasionally portrayed as an international treaty designed to create legal rights.[31] In reality, its only ''legal'' value is as evidence of binding customary law. This may be important background for the discussion which follows, because the Soviet Union voted against Article 13 during the drafting process and did not vote in favor of the Declaration itself in the General Assembly. With a few exceptions, which are not relevant to the issue at hand,[32] rules of International Law are established by the consent of States. This can be done explicitly by ratifying a treaty or other international agreement, or

it may be done implicitly by taking part in the development of a consistent and general practice accepted as law. But—again, with some exceptions[33]—a State is not considered bound by customary legal rules against which it clearly protested during formation. Thus, it is at least arguable[34] that the Soviet Union was not bound by the Declaration as customary law in 1974.

THE 1974 JACKSON-VANIK AMENDMENT

Mr. Chairman, it may be worth noting this Committee, and the United States Congress, have played a prominent role in the affirmation of customary international law governing the right of citizens to emigrate without having to pay burdensome special taxes. I believe that Chairman Packwood, Majority Leader Dole, and Senator Roth are the only current members of the Finance Committee who served in the Senate during the Ninety-Third Congress, so it may be useful to review the history of the ''Jackson-Vanik'' Amendment—also known as the ''Freedom of Emigration'' Amendment[35]—briefly at this time. I remember it reasonably clearly, for, as I mentioned, I was serving at the time on the staff of Senator Bob Griffin and I followed the Amendment closely.

As reported out of this committee, Section 402 of the Trade Act of 1974 (H.R. 10710) included the House-passed ''Vanik Amendment''[36] which prohibited the President from granting ''nondiscriminatory tariff treatment'' to any ''non-market economy country'' which ''imposes more than a nominal tax, levy, fine, fee or other charge on any citizen as a consequence of the desire of such citizen to emigrate to the country of his choice.''[37] In its accompanying report, this Committee referred to the ''right to emigrate'' as a ''basic human right. . . .''[38]

When the trade bill reached the Senate floor in mid-December 1974, this provision was strengthened by the enactment of the famous ''Jackson Amendment'' (with the final language affirming the right of emigration thus widely referred to as the ''Jackson-Vanik Amendment''). Although strongly opposed by the Ford Administration as an impediment to détente with the Soviet Union, and Jackson Amendment was introduced in the Senate with 78 co-sponsors.[39] Significantly, it received a unanimous vote after a lengthy (if entirely one-sided) floor debate.[40] The three current members of this Committee who served in the Senate at the time were co-sponsors of the Jackson Amendment[41] and voted for its passage.[42]

In testimony before this committee, the legendary Hans J. Morgenthau, at the time Leonard Davis Distinguished Professor of Political Science at the City University of New York, characterized the right of emigration as ''one of the tests of civilized government.''[43] Senator Dole termed it a ''fundamental freedom,'' and described the Soviet requirement that citizens seeking to emigrate first pay a ''diploma tax'' to reimburse the State for its investment in their education as being in conflict with ''America's traditional concern for the rights of individuals.''[44] Addressing the Senate following passage of his amendment, Senator Jackson noted that the ''fundamental human right to emigrate'' was guaranteed ''in the Universal Declaration of Human Rights which was adopted unanimously 26 years ago this week.''[45] As enacted into law (19 U.S.C.A. §2432), the provision provides in part: §2432. Freedom of emigration in East-West trade. . . . (a) To assure the continued dedication of the United States to fundamental human rights, and notwithstanding any other provision of law, on or after . . . January 3, 1995, products from any nonmarket economy country shall not be eligible to receive nondiscriminatory treatment (most-favored-nation treatment), such country shall not participate in any program of the Government of the United States which extends credits or credit guarantees or investment guarantees, directly, or indirectly, and the President of the United States shall not conclude any commercial agreement with any such country, during the period beginning with the date on which the President determines that such country—

(1) denies its citizens the right or opportunity to emigrate;

(2) imposes more than a nominal tax on emigration or on the visas or other documents required for emigration, for any purpose or cause whatsoever, or

(3) imposes more than a nominal tax, levy, fine, fee, or other charge on any citizen as a consequence of the desire of such citizen to emigrate to the country of his choice,

and ending on the date on which the President determines that such country is no longer in violation of paragraph (1), (2), or (3).[46]

Even if you conclude that the proposed exit tax is not in conflict with the terms of the Covenant on Civil and Political Rights, it strikes me that—given in particular this Committee's and the Senate's unanimous support for the Jackson-Vanik Amendment—careful consideration ought to be given to whether this proposal complies with that standard as well.

RECONCILING THE PROPOSED US ''EXIT TAX'' WITH JACKSON-VANIK

Subjectively, of course, all of us can presumably agree that there is a substantial difference in the motivation behind the proposed US ''exit tax'' and the impediments placed in the path of Soviet Jews (and others) in the early 1970s designed clearly to discourage emigration (especially by dissident Jews to Israel). The United States understandably does not wish to lose the substantial sums in tax revenues which the Treasury Department projects could be lost if especially wealthy US citizens elect to renounce their citizenship and emigrate to foreign points.

While one might normally view this as a ''political'' problem for Congress to factor in to the drafting of the tax laws—how to extract maximum tax revenues from the wealthy without exceeding the point that the ''geese that lay the golden eggs'' will fly off to find a more hospitable environment in which to do business[47]—there are obvious political attractions to the exit tax approach. Presumably few constituents will be directly affected by this legislation (and ''soaking the rich'' is not all that unpopular with many Americans of more ordinary means in these troubled times), and in order to be subject to the special ''tax'' an individual will have to renounce his or her American citizenship—in the process surrendering their right to vote in any case. One can see how this might have appeared to be a virtually cost-free (from a political standpoint) way to raise a couple of billion additional dollars over the next five or six years.[48]

From the standpoint of International Law, however, it may be more difficult to make the distinction between the old Soviet practice of charging a special ''diploma tax'' to compel citizens who wish to emigrate to compensate the State for its investment in their education, and the proposed US ''exit tax'' designed to compel citizens who wish to emigrate to compensate the State for income taxes they would likely eventually owe if they remained citizens. (It would not be illegal under these rules of International Law for the United States to tax unrealized capital gains annually, or for the Soviets to charge a fee for providing an education—the legal issue arises when people who seek to emigrate are treated less favorably than others because of their decision to exercise their legal right to emigrate.)

To be sure, we can probably agree that the old Soviet regime was made up of ''bad guys,'' and our own government is much ''nicer.'' Even as many of us search around for professional assistance in reducing our own tax liabilities, it is probably true that most Americans have a visceral antipathy for ''tax dodgers.'' Nor do many of us identify very closely with individuals who would voluntarily renounce their American citizenship as a means of reducing tax liability. While it may be in part that our relatively more limited liability makes their decision difficult to comprehend, I like to think that most of us view our status as American citizens as among our most cherished rights. Many of us still recall Sir Walter Scott's moving words, as we read them in high school in Hale's ''A Man Without a Country'':

Breathes there the man, with soul so dead,
Who never to himself hath said,
This is my own, my native land!
Whose heart hath ne'er within him burn'd
As home his footsteps he hath turn'd
from wandering on a foreign strand!
If such there breathe, go, mark him well;
For him no Minstrel raptures swell;
High though his titles, proud his name,
Boundless his wealth as a wish can claim;
Despite those titles, power, and pelf,
the wretch, concentered all in self,
Living, shall forfeit fair renown,
And, doubly dying, shall go down
to the vile dust, from whence he sprung,
Unwept, unhonor'd, and unsung.[49]

I suspect that the outcry from your constituents over the proposed exit tax—even if it is perceived as nothing more than an effort to ''stick it to rich expatriates''—is not likely to be very considerable.

CONGRESS MAY BY STATUTE VIOLATE INTERNATIONAL LAW

Perhaps I should make one additional point. The United States belongs to the dualist school and views municipal and international law as being separate, if often interrelated,[50] legal systems. United States courts will thus first attempt to reconcile the language of apparently inconsistent statutes and treaties, but if that proves unreasonable, they will apply the ''later in time'' doctrine (lex posterior derogat priori) and give legal effect to the instrument of most recent date.[51] The theory underlying this policy is that treaties and statutes have a co-equal standing as ''supreme law of the land,''[52] and the lawmaking authority—be it the two chambers of the Legislative Branch acting with the approval (or over the veto) of the Executive,[53] or the Executive acting with the consent of two-thirds of those Senators present and voting[54]—is presumed to know the existing law when it acts and to intend the logical consequences of its actions. Thus, if the Congress enacts the provision in question and it is subsequently challenged as contrary to the nation's solemn treaty commitments, American courts will not strike down the statute because of the treaty. Similarly, while some scholars quarrel with the rationale,[55] the oft-cited 1900 Supreme Court case of The Paquete Habana held that customary international law (''the customs and usages of civilized nations'') is part of US law ''where there is no treaty and no controlling executive or legislative act or judicial decision. . . .''[56] Furthermore, while the recently ratified Covenant clearly creates a solemn legal obligation upon the United States under International Law, it is not self-executing[57] and thus will not be implemented by US courts in the absence of independent legislative authority.[58]

However, this is not to say that Congress has the legal power to relieve the United States from its solemn treaty obligations under International Law. On the contrary, no such right exists (unless the relevant treaty provides for termination by act of a national legislature), and if the Congress elects to approve a statute that is contrary to the Covenant it will make the United States a lawbreaker.

To be sure, Congress in the past has on occasion enacted legislation which placed the Nation in such a status.[59] Such a decision has consequences, however. Not only might other treaty Parties have available meaningful remedies under International Law,[60] but violations of International Law by the United States contributes to a lack of respect for the rule of law in general and greatly undermines the ability of the United States to pressure other States to comply with such rules. Thus, in particular when the issue involves solemn undertakings in the area of international human rights, one would hope that legislators would be careful to avoid even the appearance of breaching provisions of a treaty.

CONCLUSION

Mr. Chairman, as I indicated when I began, I did not come here this morning with the intention of taking a definitive position on this legislation on the merit. Because the invitation to take part in the hearing came with such short notice, I have not been able to analyze the issue to the extent I might have wished. The comments which follow are offered with more than a little hesitation and uncertainty.

I have primarily tried to set forth the basic international legal rules in my testimony, and I suspect that honorable men and women might reach different conclusions when applying those rules to this bill. I came into the hearing with some reservations, but it may be that after I have heard other perspectives I will be less concerned about the compatibility of the ''exit tax'' with Article 12 of the Universal Covenant on Civil and Political Rights.

Even if that occurs, however, it still leaves us with the perhaps more difficult problem of reconciling this tax with the spirit and language of the 1974 Jackson-Vanik Amendment. I'm not going to pre-judge that issue for you, either, other than to say that I personally find it somewhat more troubling. If this were merely a statute providing that citizens must ''pay their lawful taxes'' before they may renounce their citizenship and move to a foreign State they find more attractive, I think it could pass legal muster with little difficult.[61] But I'm not sure that's the situation. You understand the tax system for better than I do, and I will defer to your expertise in the final analysis.

As I stressed at the beginning, I am not even arguably an authority on the tax code; but it is my initial impression that the proposed ''exit tax'' is designed to impose an immediate and substantial financial burden upon citizens—on the specific and expressed grounds that they have elected to renounce their citizenship and emigrate—and that this is a burden that would not be imposed upon otherwise identically situated citizens who elected to remain American citizens (and did not elect to sell or dispose of their property or take other action that would realize capital gains liability).

If that is true, in all candor, I think I would want my money ''upon front'' if I were asked to argue before an international tribunal that the proposed US exit tax complies with the spirit of the Jackson-Vanik Amendment—which no less an authority that the United States Congress argued reflected the minimal requirements of International Law two decades ago. (I think I would base my Jackson-Vanik case upon the technicality that the United States is not covered because it does not have a ''non-market economy''—but the underlying rule of customary international law is not so qualified and could not be evaded by that consideration. Trying to argue that international human rights standards have declined since 1974 would clearly not pass the ''straight face'' test.)

I have not had time to research the issue, but my recollection is that in the recent past, Congress—or at least many members of Congress—have pressured the Executive to apply the Jackson-Vanik principle to trade with the People's Republic of China. Certainly many members continue to feel passionately about human rights issues, and to urge the President to identify and put pressure on other States who fail to comply with fundamental treaty norms in this important area. Unless someone can do a better job that I have in distinguishing an exit tax targeted at ''rich Americans'' from one aimed at ''educated Jews,'' however, you may find as a practical matter that you will need to make a choice between enacting this provision and attempting in the years ahead to uphold the Jackson-Vanik Amendment and similar human rights norms. If this provision is enacted into law, I believe the odds are good that future US protests calling upon China, Iraq (which last month imposed an exit tax of its own to curtain the flow of capital), Iran, and other flagrant human rights violators to comply with the provisions of the Covenant on Civil and Political Rights will receive in reply a reference to American ''violations'' of Article 12.

Mr. Chairman, that concludes my prepared statement. I will be happy to attempt to answer any questions you or your colleagues might have.

FOOTNOTES

[1] Inter alia, this provision would amend the Internal Revenue Code by adding this language: If any United States citizen relinquishes his citizenship during a taxable year, all property held by such citizen at the time immediately before such relinquishment shall be treated as sold at such time for its fair market value and any gain or loss shall be taken into account for such taxable year.

That the ''exit'' is designed to affect a relatively small portion of the population is clear from the fact that the first $600,000 of gross income is excluded from this provision. According to the State Department 697 US citizens expatriated in 1993 and 858 the following year. ''It is not yet known how many of these former citizens, if any, will be subjected to tax under section 877.'' Joint Committee on Taxation, Description of Revenue Provisions Contained in the President's Fiscal Year 1996 Budget Proposal 17 n.6 (Feb. 17, 1995). The fact that the Treasury Department anticipates more than $2 billion in additional revenues from this provision by FY 2000 suggests either that many expatriates will be covered or that the few covered will be hit with rather substantial additional tax bills under this provision. See infra, note 48.

[2] See, e.g., Eisner v. Macomber, 252 U.S. 189, 214–15 (1920).

[3] The Dialogues of Plato 217 (7 Britanica Great Books of the Western World, 1952). See also, Jeffrey Barist et al., Who May Leave, 15 Hofstral L. Rev. 381, 384 (1987).

[4] By coincidence, I discussed this issue in my prepared testimony before the Senate Judiciary Committee Subcommittee on the Constitution on 5 October 1994 (page 2–3 of original text), which has not yet, to my knowledge, been published.

[5] Id. at 4, and Barist et al., Who May Leave, 15 Hofstral L. Rev. at 384.

[6] Expatriation Act of 1868, 15 Stat. 223 (1868).

[7] 8 U.S.C. §1481, quoted in 87 Am. J. Int'l L. 601 (1993).

[8] Richards v. Secretary of State, 752 F.2d 1413 at 1422 (1985).

[9] Statute of the International Court of Justice, Art. 38. While customary law may over time replace a rule established by treaty, and the general goal is to ascertain the most recent expression of the consent of the parties (thus a more recent customary practice accepted as law (opinio juris) may prevail over a prior treaty), it is probably accurate to observe that, where a relevant treaty exists between the parties to a dispute, the terms of the treaty will provide at least the starting point for resolution of the dispute. However, the principle that ''the specific prevails over the general'' (lex specialis derogat generali) may well lead to a narrow customary practice prevailing over a more general treaty obligation.

[10] However, a UNGA resolution expressing legal principles approved by an overwhelming vote of Member States may serve as powerful evidence of the existence of a legally-binding international custom.

[11] 19 Dep't State Bull. 751 (1948).

[12] Report of the Senate Committee on Foreign Relations on the International Covenant on Civil and Political Rights, reprinted in 31 Int'l Leg. Mats. 645 (1992).

[13] A possible exception is the first Declaration specifying that the Covenant is Non-Self-Executing. Id. at 651.

[14] Report of the Senate Committee on Foreign Relations on the International Covenant on Civil and Political Rights, supra at 649 (p. 3 of OT).

[15] Preamble, 6 Int'l Leg. Mats. 368 (1967).

[16] Art. 12, id. at 372.

[17] The Movement of Persons Across Borders 76 (Louis B. Sohn & Thomas Buergenthal, eds.

[18] *Id.* at 79.

[19] *Id.* at 82.

[20] *Id.* at 81, quoting Article 6 of the 1989 Strasbourg Declaration on the Right to Leave and Return (prepared by a group of international experts under the auspices of the International Institute of Human Rights).

[21] International Covenant on Civil and Political Rights, Art. 12.

[22] Barist *et al.*, *Who May Leave*, 15 Hofstra L. Rev. at 389.

[23] *Id.* at 389, 394.

[24] The International Bill of Rights: The Covenant on Civil and Political Rights 24 (Louis Henkin, ed. 1981), *quoted in* Barist *et al.*, *Who May Leave*, 15 Hofstra L. Rev. at 395.

[25] Barist *et al.*, *Who May Leave*, 15 Hofstra L. Rev. at 396.

[26] *Id.* at 406.

[27] 660 U.N.T. S. 194.

[28] 14 Intl'L Leg. Mats. 1292 (1975).

[29] To constitute binding international customary law, a rule must reflect ''a general practice'' that has been ''accepted as law'' (*opinio juris*). *See* Statute of the International Court of Justice, Art. 38 (1)(b).

[30] UNGA Res. 217 A (III), 3 UNGAOR 71, UN Doc. A/810 (10 Nov. 1948).

[31] Note to follow.

[32] Some rules of International Law are of such fundamental importance that they are considered ''peremptory norms'' *(jus cogens)* and bind all States irrespective of consent. A thorough discussion of this issue is precluded by the short time available to prepare this testimony. Some human rights principles have this status—it is doubtful that this is one of them. The issue is of only academic interest given the strong statement of the right to emigrate as constituting binding International Law contained in the Jackson-Vanik Amendment to the 1974 Trade Act (discussed below). Thus, the United States could hardly protest that it is not bound by this rule and claim to have protested against its creation.

[33] *Jus congens* rules (discussed *supra*) bind all States, and newly-formed States are bound by all rules of customary law in existence when they are created.

[34] In reality, a strong case can be made that the Soviet Union was bound by this provision of the *Declaration* in 1974. Among other things, abstention in the General Assembly does not constitute an adequate ''protest'' to protect against being bound (although it does not constitute ''consent'' either). The following year the issue was arguably resolved when Moscow signed the Helsinki Accords (which, as discussed *supra*, incorporated the text of the *Declaration.)* While the Helsinki Accords were not designed to be legally binding in themselves, Moscow's acceptance of the principles of the *Declaration* would undercut any Soviet claim that it objected to these principles as *customary* law.

[35] *See, e.g.*, Senate Report No. 93–1298 (Committee on Finance), *reprinted in* 4 U.S. Code Congressional & Admin. News 7338 (93d Cong., 2d Sess., 1974) (hereinafter cited as Finance Committee Report).

[36] This amendment, introduced by Representative Charles Vanik, was approved on the House floor on 11 December 1974 by a vote of 319–80. *See* 120 Cong. Rec. 39782 (1974).

[37] Finance Committee Report at 7213.

[38] *Id.* at 7338.

[39] 120 Cong. Rec. 39782 (1974).

[40] *Id*. 39806. The final vote was 88–0, with 12 Senators absent. All but two or three of the absent Senators were co-sponsors of the amendment.

[41] *Id*. at 39782.

[42] *Id*. at 39806

[43] 120 Cong. Rec. 39787.

[44] *Id*. at 39802.

[45] *Id*. at 39806.

[46] Trade Act of 1974, 19 U.S.C.A. §2432 (emphasis added).

[47] While I claim no special expertise on matters of finance or tax policy, I was impressed with Forbes magazine editor James W. Michaels' observation that ''It's not that legislators sympathize with rich tax dodgers. It's that they realize it's time to worry less about soaking the rich and more about changing the tax code to make the country more hospitable to the capital that produces jobs and economic growth.'' James W. Michaels, ''You can't take it (all) with you,'' Forbes, 13 March 1995, p. 10.

[48] The Treasury Department estimates that this provision will produce $2.2 billion in additional tax revenues between FY 1995 and FY 2000. Department of the Treasury, General Explanations of the Administration's Revenue Proposals 17 (Feb. 1995).

[49] Sir Walter Scott, The Lay of the Last Minstrel, canto VI, st. 1.

[50] As will be discussed, treaties are a part of the ''supreme law of the land'' and customary international law ''is part of our law'' too. The monist school views international law to be superior to municipal law in a single legal system.

[51] See, e.g., Whitney v. Robertson, 124 U.S. 190 (1888).

[52] US Const. Art. VII

[53] Id. Art. I, Sec. 7.

[54] Id. Art. II, Sec. 2.

[55] See, e.g., Louis Henkin, The Constitution and United States Sovereignty, 100 HARV. L. REV. 853 (1987).

[56] Note to follow.

[57] For a discussion by Chief Justice Marshall of the distinction between self-executing and non-self-executing treaties, see Foster and Elam v. Neilson, 27 U.S. (2 Pet.) 253 (1829).

[58] Note to follow.

[59] This sometimes occurs inadvertently when legislation is considered by members who are simply unaware of a conflicting treaty provision (as may be the case in this Committee's approval of the statute being considered in this hearing), but it also occurs occasionally even after the conflict with a treaty has been identified. An example of this that comes readily to mind was S-961, the ''Magnuson Fisheries and Conservation Act,'' passed around 1976. See the minority views of my former employer, Senator Robert P. Griffin, included in the Foreign Relations Committee's report on this bill for a discussion of this problem.

[60] These may range from judicial settlement to reciprocal breach or simply the ''horizontal enforcement'' of retorsionary behavior to pressure our Country to observe its solemn international legal obligations (pacta sunt servanda).

[61] The Department of State, for example, has warned that ''Persons considering renunciation [of US citizenship] should also be aware that the fact that they have renounced U.S. nationality may have no effect whatsoever on their U.S. tax or military service obligations.'' 87 AM. J. INT'L L. 602 (1993).

PREPARED STATEMENT OF JAMISON S. BOREK

Thank you Mr. Chairman and Members of the Committee. I am here today to address the question whether section 5 of H.R. 831 as reported by the Senate Committee on Finance raises legal questions concerning international human rights.

The proposal in section 5 would effectively require payment of taxes by U.S. citizens on gains, if they have such gains, if they elect to renounce U.S. citizenship, by treating this as equivalent to a realization of gains (or losses) by sale. The proposal would only apply to gains in excess of $600,000; it would not apply to U.S. real property owned directly, nor to certain pension plans.

It has been suggested by some that this proposal would violate the right to leave the territory of a state (including one's country of nationality) or the right to change one's citizenship as recognized in international human rights law. In our view, however, this tax proposal does not conflict with these or any other international human rights.

Section 5 is not an ''exit tax''. It does not apply to the act of emigration and is wholly unrelated to travel. Rather, it applies at the time an individual renounces U.S. citizenship. Based on past experience, the proposal is most likely to affect U.S. citizens who have already departed from the United States. It is well established, nonetheless, that a state could impose economic controls in connection with departure as long as such controls do not result in a *de facto* denial of an individual's right to emigrate.

Similarly, a claim of violation of the right to renounce citizenship could only be made where that right is effectively denied. There is no international law right to avoid taxes by changing citizenship. Section 5 would impose taxes comparable to those which U.S. citizens would have to pay were they in the United States. It is a bona fide means of collecting taxes on gains which have already accrued. It is not a pretext to keep people from leaving, and it is not so burdensome as effectively to preclude change of nationality or emigration. It applies only to gains, and only when these gains are in excess of $600,000.

In short, it is the view of the Department of State that this proposal does not raise any significant question of interference with international human rights.

I hope that this information is helpful to the Committee.

UNIVERSITY OF VIRGINIA,
Charlottesville, VA; March 20, 1995.

LESLIE B. SAMUELS,
Assistant Secretary of the Treasury for Tax Policy, U.S. Department of the Treasury.

DEAR MR. SAMUELS: I have been asked to offer an opinion as to whether the Administration's proposal to treat the renunciation of U.S. citizenship as a realization event with respect to wealthy taxpayers presents any problems under international law, particularly in light of the position the United States has taken in the past with respect to the freedom to emigrate. As I find myself in the unusual position of being a specialist in international law, U.S.-Soviet relations, and federal taxation, I am happy to do so.

The Jackson-Vanik Amendment to the Trade Act of 1974 and the 1975 Helsinki Accords both express a strong U.S. stand in favor of the freedom of people of emigrate free of more than ''a nominal tax,'' 19 U.S.C. §2432(a)(2), and there is substantial authority for the proposition that the international law of human rights incorporates the obligation to refrain from erecting such impediments to emigration. But it is critical to recognize the distinction between the right to travel, on the one hand, and the right to change one's citizenship status, on the other. Emigration necessarily involves the former, but not necessarily the latter. The human rights concerns that dominated our encounters with the Soviet Union and other totalitarian regimes during the 1970s and 1980s were based on violations of the right to travel. Those governments treated their borders as the perimeter of a prison and their citizens as prisoners. The so-called education tax that the Soviet Union threatened to impose on emigrants, which inspired the above cited language in the Jackson-Vanik Amendment, was triggered by a request to travel abroad, not by an attempt to renounce Soviet citizenship. Whether the communist regimes also made it difficult to surrender citizenship was a matter of indifference to us. Indeed, many authorities believed that the Soviet Union and other governments violated international law by making it too easy to lose one's citizenship, as they did when they imposed involuntary loss of citizenship as a form of punishment for political dissent (*e.g.*, the case of Aleksandr Solzhenitsyn).

The Administration's proposal, as I understand it, has absolutely no effect on the right of a citizen to travel abroad. It is triggered only by a change of citizenship status, not by the crossing of the country's borders. The reason for this distinction is clear when one considers how U.S. tax rules operate. Whether a citizen resides within or without the United States, the obligation to pay tax on appreciation of assets remains the same. Any gain realized and recognized during life will result in an income tax. Any unrealized appreciation that remains at death will not be subject to an income tax, but instead will subject the decedent to the estate tax. To be sure, the federal estate tax is not an exact substitute for an income tax at death on unrealized appreciation, both because only wealthy persons (those with assets in excess of $600,000, assuming no taxable gifts during life) are subject to the estate tax, and because the taxable estate includes both realized and unrealized appreciation. But I am not alone in having pointed out that the estate and gift tax, in practice, serve as a reasonable approximation for the income tax that could be levied on unrealized appreciation at death.

All of the above turns on citizenship, not on residence. A U.S. citizen who resides abroad will have to include in his tax base any gain realized from the disposition of an asset, see Cook v. Tait, 265 U.S. 47 (1924), will pay a federal gift tax on any taxable gift during his life, no matter where the asset is located, and will include all of his worldwide assets in his taxable estate at death. By contrast, a citizen who severs the bond of citizenship and does not continue to reside in the United States will pay neither income, gift, nor estate tax (except as U.S.-sourced income and, for the estate and gift tax, transfers of certain property sourced to the United States). The change of citizenship status, not of residence, is what matters for U.S. tax law. Current law recognizes the significance of change sin citizenship by subjecting nonresident aliens who lose U.S. citizenship for tax avoidance reasons to a special alternative income tax, see Internal Revenue Code Section 877. Section 2107 imposes a similar result with respect to the estate tax, and 2501(a)(3) with respect to the gift tax. What the Administration proposal would do, as I understand it, is replace the unworkable tax avoidance standard of Sections 877, 2107 and 2501(a)(3) with a per se rule that applies to any person with sufficient assets to make future estate taxation a probability. An analogous provision is Section 367 of the Code, which denies nonrecognition treatment in certain corporate reorganizations if the recipient of appreciated property is a foreign corporation. I never have heard the argument that the latter provision imposes an impermissible burden on the right of a domestic corporation to export its capital.

In summary, the international law of human rights is concerned with restrictions on the right to leave one's country, not those on the right to renounce one's citizenship. To the extent human rights law deals with citizenship status, it addresses involuntary denials of citizenship, not burdens triggered by the renunciation of citizenship. Furthermore, the proposed measure is not a tax on the export of capital as such, but rather a logical part of a comprehensive scheme to ensure that all appreciation of capital owned by a U.S. citizen eventually will be subject to a U.S. tax, whether income, gift, or estate. For these reasons, it is inconceivable to me that the Administration's proposal could be seen as violating international human rights law.

To be sure, there are few positions with respect to customary international law that

cannot obtain the support of at least some jurists. Last Saturday, while passing through Pittsburgh's airport, I ran into my former student, Bob Turner, who informed me of his intention to testify before the Senate Finance Committee to the effect that the proposal did raise problems under international law. As I told him at the time, I found his arguments unconvincing. However, I am responsible only for Bob's education in Soviet law, not in international or tax law.

I hope this letter is useful. Please feel free to make whatever use of it you wish.

Sincerely,

PAUL B. STEPHAN III.

ONE INTERNATIONAL PLACE,
BOSTON, MA, *March 20, 1995.*

Hon. BOB PACKWOOD,
Chairman, Committee on Finance,
U.S. Senate,
Washington, DC.

Hon. DANIEL P. MOYNIHAN,
U.S. Senate,
Washington, DC.

DEAR CHAIRMAN PACKWOOD AND SENATOR MOYNIHAN: I would like to comment on the provisions of Section 5 of H.R. 831 as reported by the Committee on Finance (the ''Committee Bill'').

I am a partner in the law firm Ropes & Gray in Boston, where I practice international tax law on behalf of U.S. and non-U.S. corporate and individual clients. Prior to joining Ropes & Gray, I served as International Tax Counsel to the U.S. Treasury Department. Altogether, I served in the Treasury Department for five years during the Reagan Administration.

Although I am Vice Chairman of the American Bar Association Section of Taxation's Committee on Foreign Activities of U.S. Taxpayers and an active member of several other bar and professional associations, my comments are not made as a representative of Ropes & Gray or any of its clients, the American Bar Association Tax Section or any of the other bar or professional associations of which I am a member. My comments are directed exclusively to tax policy aspects of the proposal in the Committee Bill to amend the Internal Revenue Code of 1986, as amended, by adding proposed Section 877A.[1] Subject to certain technical comments referred to below, I strongly support enactment of proposed Section 877A.

DESCRIPTION OF CURRENT LAW

The United States exercises personal jurisdiction to tax individuals by taxing the worldwide income of U.S. citizens (whether or not resident or domiciled in the United States) and residents.[2] A U.S. taxpayer may elect to credit foreign income taxes against his U.S. tax, subject to a limitation that applies with respect to categories of foreign source income to restrict the credit to the amount of U.S. tax paid with respect to income in that category.

The United States asserts a source-based tax on nonresident aliens.[3] Nonresident aliens are taxed on the gross amount of U.S.-source interest, dividends, rents, and other fixed or determinable income at a flat rate of 30 percent (or a lower treaty rate). This tax generally is collected by withholding. A nonresident alien is taxed at regular graduated rates on income that is effectively connected with a U.S. trade or business, less deductions that are properly allocable to the effectively connected income. A nonresident alien individual is allowed a foreign tax credit under Section 906 only for foreign taxes paid with respect to income effectively connected with a U.S. trade or business.

Under current law, the only income tax provision governing a change from citizenship to non-citizenship status is Section 877, first enacted in 1966. Under Section 877, a U.S. citizen who relinquishes his U.S. citizenship with a principal purpose to avoid Federal income tax is taxed either as a nonresident alien or under an alternative taxing method, whichever yields the greater tax, for 10 years after expatriation. For purposes of determining the tax under the alternative method, gains on the sale of property located in the United States and stocks and securities issued by U.S. persons are treated as U.S.-source income, taxable at rates applicable to U.S. citizens.[4]

Whether tax avoidance is a principal purpose for the expatriation is determined by all of the relevant facts and circumstances. If the I.R.S. establishes that it is reasonable to believe that the loss of U.S. citizenship would result in a substantial reduction in the taxpayer's income taxes for the year (taking account of U.S. and foreign taxes), the burden of proving that the loss of citizenship did not have tax avoidance as one of its principal purposes is on the taxpayer. This presumption is rebuttable.[5]

A foreign tax credit is not allowed for foreign taxes on income that is deemed to be U.S.-source income under the alternative method. The effect of the source rules generally is to transform foreign income that would not be effectively connected income into U.S. gross income. Because Section 877(c) does not cause the income to be effectively connected income, the Section 906 foreign tax credit will not apply. Any foreign taxes imposed on the income re-sourced under Section 877(c) therefore would give rise to double taxation.

The so-called savings clause found in most modern income tax treaties generally provides that the United States may tax its citizens and residents as though the treaty had not come into effect.[6] Although the I.R.S. has published a revenue ruling taking the position that the savings clause preserved U.S. taxation of former citizens taxable under Section 877,[7] the Tax Court held in *Crow* v. *Commissioner*, 85 T.C. 376 (1985), that the savings clause of the 1942 United States-Canada Income Tax Convention did not apply to a former citizen who, it was assumed for purposes of deciding petitioner's motion for summary judgment, expatriated to Canada for a principal purpose of avoiding United States tax. The Court found that, properly interpreted, the Convention prohibited the United States from taxing the taxpayer's capital gain from the sale of stock under Section 877. Based on the *Crow* decision, it is doubtful whether the United States may tax a treaty resident under Section 877 on income that a treaty reserves for taxation by the country of residence unless the treaty specifically preserves the U.S. right to tax a Section 877 expatriate.

Current U.S. treaty policy is to cover Section 877 expatriates under the savings clause to permit the United States to tax income or gains of a Section 877 expatriate who is resident in the treaty partner country notwithstanding other articles of the treaty.[8] Even where the savings clause covers taxation of an expatriate under Section 877, the coverage may be less than complete.[9]

It does not appear that treaties remedy the failure of the domestic law foreign tax credit mechanism to avoid double taxation under Section 877. For example, the 1980 Convention between the United States and Canada allows the United States to impose tax on gains from the sale of stock in a U.S. company realized by a Section 877 expatriate who is resident in Canada.[10] Canada also would be allowed to tax the gains.[11] For purposes of applying the foreign tax credit provisions of the Convention, the gains from the sale of stock would be treated as Canadian-source income,[12] however, the United States does not commit to allow a credit for the Canadian tax.[13]

DEFICIENCIES OF CURRENT LAW

The reason for enactment of Section 877 in 1966 was that the elimination of graduated rates with respect to non-effectively connected income of a nonresident alien could encourage some individuals to surrender their U.S. citizenship and move abroad. The 89th Congress did not have any experience as to whether the other changes in taxation of nonresident aliens made by the Foreign Investors Tax Act of 1966 would induce expatriations and chose to employ a tax avoidance purpose condition to the application of Section 877.

The facts of the Furstenberg case, in which the Tax Court found that the taxpayer's expatriation did not have tax avoidance as a principal purpose, illustrate why a tax avoidance purpose standard is ill-advised. To satisfy a commitment made before her marriage to her new husband, Mrs. Furstenberg renounced her U.S. citizenship immediately after her honeymoon on December 23, 1975. As a result of the Tax Court's decision that Section 877 did not apply, it appears that Mrs. Furstenberg paid no U.S. tax on as much as $9.8 million of capital gains from selling securities owned at the time of her expatriation in the two years following her expatriation.

There is ample precedent for a U.S. claim to tax appreciated assets at a time when the asset will no longer be subject to U.S. personal taxing jurisdiction. Under sections 367 and 1491, the United States overrides otherwise applicable nonrecognition rules in order to tax transfers of appreciated assets to foreign entities. It is accepted that this principle should apply in circumstances where there is no actual transfer of an asset, for example, upon the termination of an election by a foreign corporation to be treated as a domestic corporation under section 1504(d) or when a foreign trust ceases to be a grantor trust with a U.S. grantor. Amendments in 1984 to sections 367 and 1492 deleted exceptions to taxation of such outbound transfers where the taxpayer could establish that the transfer did not have as one of its principal purposes the avoidance of Federal income taxes. The principal purpose test similarly should be deleted from Section 877.[14]

A second difficulty with current Section 877 relates to the assertion of U.S. taxing jurisdiction after the taxpayer has renounced U.S. citizenship. At that point, the taxpayer may be resident in another taxing jurisdiction that may rightfully feel that it has the primary right to tax gains of a resident from the sale of tangible property (other than real estate in another country) and intangible property. It is not surprising that there may be disagreement as to which country should be considered to have the primary right to tax. A tax imposed at the time of expatriation, however, would accurately delineate gains properly subject to U.S. taxing jurisdiction. This would improve the position of the United States if it asks treaty partners to increase a taxpayer's basis in property taxed by the United States on expatriation for purposes of taxation by the treaty partner. If taxation at the time of expatiation is adopted, I would urge the Treasury to take such a position in treaty negotiations.

A third problem with current Section 877 is that it is easily avoided. I quote from a 1993 article published in Tax Notes International:

''Even for those nonresident former U.S. citizens with substantial U.S. assets and income, there are techniques that can greatly reduce the impact of the anti-abuse rules by

[1] Footnotes at end of letter.

converting U.S. income and assets into foreign income and assets or by deferring income and taxable transfers until after the 10-year period under the anti-abuse rules has expired.

For example, consider the plight of a tax-motivated former U.S. citizen living abroad and owning a portfolio of U.S. stocks and bonds. Without taking any measures, such a person would be subject to U.S. income tax on interest, dividends and capital gain from the portfolio and would be subject to a U.S. estate and gift tax on taxable transfer of assets in the portfolio. Such an individual could, however, transfer the portfolio to a foreign corporation that is not engaged in a U.S. trade or business with drastically more favorable results.

For income tax purposes, the foreign corporation would itself be taxed in the same manner as an NRA who had never been a U.S. citizen (i.e., gross U.S.-source dividends would be subject to a flat 30-percent-or-lower withholding tax, certain types of U.S.-source interest would be subject to a similar flat withholding tax while other types of U.S.-source interest would be exempt under the portfolio interest or other exemptions and capital gains would be exempt from tax unless real estate related).

While a sale of stock in the foreign corporation by the former U.S. citizen would be treated as taxable U.S.-source income under the anti-abuse rule, as sale of the U.S. stocks and securities in the portfolio by the foreign corporation would not. Moreover, dividends by the foreign corporation to its shareholders would be foreign-source, and therefore free from U.S. tax, even if the foreign corporation's earnings out of which it pays the dividends are U.S.-source interest, dividends, and capital gains.'' (Footnotes omitted.)[15]

In light of the increasing sophistication of taxpayers, it is not surprising that the easy pickings of tax-motivated expatriation are too tempting for some to resist. Based on informal discussions with the State Department, and Staff of the Joint Committee on Taxation has reported that 697 citizens expatriated in 1993 and 858 in 1994.[16] There is evidence that some of these expatriations will result in substantial revenue loss as a result of the infirmities of current Section 877. It is time to amend the law to address current realities.

DESCRIPTION OF PROPOSED SECTION 877A

Under the Committee Bill, a U.S. citizen who relinquishes U.S. citizenship generally would be treated as having sold all of his or her property at fair market value immediately prior to relinquishing citizenship and gain or loss from the deemed sale would be subject to U.S. income tax. In addition, the deferral of tax or income recognition (e.g., due to the installment method) would terminate on the date of the deemed sale and the deferred tax would be due and payable on that date.

Generally property interests that would be included in the individual's gross estate under the Federal estate tax if such individual were to die on the day of the deemed sale, plus certain trust interests that are not otherwise included in the gross estate, would be taxed on the expatriation date. The first $600,000 of net gain recognized on the deemed sale would be exempt from tax. If a taxpayer were determined to hold an interest in a trust for purposes of Section 877A, the trust would be treated as though it sold the taxpayer's share of assets of the trust and the proceeds were distributed to the taxpayer and recontributed to the trust.

U.S. real property interests, which remain subject to U.S. taxing jurisdiction in the hands of nonresident aliens, generally would be excepted from the proposal.[17] Certain interests in qualified retirement plans and, subject to a limit of $500,000, interests in foreign pension plans (as provided in regulations) also would be excepted from the deemed sale rule.

A U.S. citizen would be treated as having relinquished his citizenship on the earlier of (i) the date he renounces citizenship before a diplomatic or consular officer, (ii) the date he provides to the State department a signed statement of voluntary relinquishment of citizenship confirming an act of expatriation under the Immigration and Nationality Act, (iii) the date that the U.S. Department of State issues a certificate of loss of nationality, or (iv) the date a court cancels a naturalized citizen's certificate of naturalization. The tax would be due on the 90th day after the expatriation date. The Internal Revenue Service would be authorized to allow a taxpayer to defer payment of the tax for up to 10 years under section 6161 as through the tax were an estate tax imposed by chapter 11.

The Committee Bill's Section 877A would be effective for U.S. citizens who relinquish their U.S. citizenship on or after February 6, 1995. No tax would be due before 90 days after enactment.

ANALYSIS OF PROPOSED SECTION 877A

The Committee Bill meets the three objections to current law Section 877 described above. It deletes the tax avoidance purpose test. It imposes tax on gain determined as of the date a taxpayer relinquishes citizenship and thereby properly measures the gain subject to U.S. personal taxing jurisdiction. As a consequence of these changes it will be more administrable and not subject to easy avoidance.

The Committee Bill also reflects several significant improvements over the text released in the original version of H.R. 981. The definition of when a taxpayer relinquishes citizenship has been modified to relate to the earliest of several substantive acts that manifest an intent to voluntarily relinquish citizenship. This should adequately protect taxpayers who have relied on current law. The I.R.S. authority to extend the time to make payment of the tax is expanded to permit deferral of up to 10 years under rules that are commonly used in the estate tax context. These changes are welcome.

I suggest another modification to the Committee Bill. I recommend that an alien that becomes a naturalized citizen take a ''fresh start'' fair market basis in his or her assets for purposes of Section 877A. The measuring date for this purpose should be the earliest of (i) the date the alien becomes a naturalized citizen, (ii) the date the alien becomes a resident alien, and (iii) the date the asset is ''effectively connected'' with a U.S. trade or business of the alien. This measure is important to support the position that the U.S. claim to tax is truly related to its personal or source taxing jurisdiction.

I reserve comment on certain technical aspects of the proposal and would be pleased to work with the Committee staff on the details of final legislation. In particular, I do not comment, without further study, on the approach taken by the Committee Bill to interests in trusts or to the interaction of Section 877A with estate and gift tax rules.

Finally, I respectfully disagree with certain initial criticisms of H.R. 981 in comments prepared by other individual members of the American Bar Association.

The weight of scholarship rejects the view that realization is or should be constitutionally required to tax gains. Since, in my experience, Congress, and this Committee, exercises an appropriate skepticism regarding professorial musings, perhaps the more relevant precedent is that Congress has enacted at least two provisions that tax gains before they are realized. Section 1256 was added to the Code in 1981 and provides that certain regulated futures and foreign currency contracts are marked-to-market on the last day of a taxpayer's taxable year and gain or loss recognized.[18] Section 475, enacted in 1993, requires securities dealers to mark-to-market securities held in inventory on the last day of the taxable year and recognize gain or loss. Moreover, fairness to taxpayers as well as the Government's revenue interests may require that such mark-to-market treatment be expanded to a broader range of circumstances. It would be extremely unwise for this Committee to adopt the holding of Eisner v. Macomber[19] in a way that could be viewed as imposing a constitutionally-based realization requirement.

I also would not in any way equate the imposition by the United States, in 1995, of a tax on its fair share of the appreciation in assets owned by U.S. persons during their period of U.S. citizenship to an exit tax imposed on Jewish and politically motivated emigrants from the Union of Soviet Socialist Republics during the State-sponsored repression of the Brezhnev era. A tax that excludes the first $600,000 of gain can hardly be viewed as a barrier to emigration.

CONCLUSION

The Committee's proposed Section 877A is an improvement over current law, is sound international tax policy and deserves the strong support of your Committee.

Please do not hesitate to contact me if I may be of assistance to the Committee.

Sincerely,

STEPHEN E. SHAY.

FOOTNOTES

[1] Unless otherwise indicated, all section references are to the Internal Revenue Code of 1986, as amended and as proposed to be amended by the Committee Bill.

[2] Taxation on the basis of citizenship is different from the practice of most countries, which is to tax individuals on the basis of residence. The Supreme Court, however, has upheld the constitutionality of taxing a nonresident citizen. Cook v. Tait, 265 U.S. 47 (1924).

[3] A nonresident alien individual is an individual who is neither a U.S. citizen nor a resident alien. Generally, an alien individual is a resident alien for U.S. tax purposes under Section 7701(b) if he or she (1) is a lawful permanent resident of the United States (i.e. holds a green card), or (2) satisfies the ''substantial presence'' test as a result of being physically present in the United States for a prescribed amount of time.

[4] These same taxing rules also are applied under Section 7701(b)(10) in the case of a resident alien individual who is resident in the United States for three consecutive years, then ceases to be a resident, and subsequently becomes a resident within three years after the close of the initial residency period. This anti-abuse rule protects the U.S. tax base from erosion by a resident alien who transfer residence from the United States for a limited period of time in order to sell a highly appreciated asset and then resumes his or her U.S. residence.

[5] See, e.g., Furstenbert v. Commissioner, 83 T.C. 755 (1985).

[6] See U.S. Department of the Treasury, Proposed Model Convention Between the United States and _____ for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion, Art. 1(3) (1981), reprinted in 1 Tax Treaties (CCH) ¶208 (1994) (hereinafter ''U.S. Model Treaty''). An important exception to the saving clause is the obligation of a contracting state to give double tax relief for taxes imposed by the source country.

The savings clause implements the U.S. policy that tax treaties generally are not intended to affect U.S. taxation of U.S. citizens or residents. American Law Institute, Federal Income Tax Project: International Aspects of United States Income Taxation (Proposals of the American Law Institute on United States Income Tax Treaties); 229, N. 606 (1992).

[7] Rev. Rul. 79–152, 1979–1 C.B. 237 (holding that a liquidating distribution would be taxable to a Section 877 expatriate that acquired residence in a treaty country even though the treaty did not preserve U.S. right to tax under Section 877).

[8] See U.S. Department of the Treasury, Proposed Model Convention Between the United States and _____ for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion, Art. 1(3) (1981), reprinted in 1 Tax Treaties (CCH) ¶208 (1994).

[9] The 1993 U.S. treaty with the Netherlands, for example, does not cover Section 877 expatriates who are Dutch nationals. Convention Between the United States of America and The Kingdom of the Netherlands for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion With Respect to Taxes on Income, Art. 24(1).

[10] Convention Between the United States of America and Canada With Respect to Taxes on Income and on Capital (''U.S.-Canada Treaty''), Art XXIX(2).

[11] U.S. Canada Treaty, Art. XIII(4).

[12] U.S.-Canada Treaty, Art. XXIV(3)(b).

[13] See U.S.-Canada Treaty, Art. XXIV(1).

[14] There are a series of exceptions to taxation at the time of transfer under sections 367 and 1491 that are based in substantial part on the fact that the transferring shareholder remains subject to residence-based taxation on property that receives a carryover basis in the exchange for the transferred property. That circumstance is not present in the context of Section 877.

[15] Zimble, ''Expatriate Games: The U.S. Taxation of Former Citizens,'' Tax Notes Int'l (Nov. 2, 1993), LEXIS 93 TNI 211–15.

[16] Staff of the Joint Committee on Taxation, ''Description of Revenue Provisions Contained in the President's Fiscal Year 1996 Budget Proposal,'' Footnote 6 (JCS–5–95, Feb. 15, 1995).

[17] The exception would apply to all U.S. real property interests, as defined in section 897(c)(1), except stock of a U.S. real property holding corporation that does not satisfy the requirements of section 897(c)(2) on the date of the deemed sale.

[18] The Ninth Circuit has passed favorably on the constitutionality of Section 1256, *Murphy* v. *United States*, 992 F. 2d 929 (9th Cir. 1993).

[19] 252 U.S. 189 (1920).

EXHIBIT 2

HARVARD LAW SCHOOL,
Cambridge, MA, March 24, 1995.

Hon. LESLIE B. SAMUELS,
Assistant Secretary (Tax Policy), Department of the Treasury, Washington, DC.

DEAR SECRETARY SAMUELS: Your office has requested my views as to international law implications of the proposed tax on expatriates that would be imposed by section 5 of H.R. 831. You will understand that this is my personal opinion and in no way purports to represent the views of the institution to which I belong. It is also compact in form due to the constraints of time imposed by your legislative schedule and my own impending travel.

The right of expatriation has always been highly valued by the United States, which has defended it against the claims of other nations that refused to let their citizens go. The right to make this choice is the counterpart of the right not to lose one's citizenship except by one's own voluntary choice, a right underlined by opinions of the Supreme Court. However, in my view, the proposed tax does not amount to such a burden upon the right of expatriation as to constitute a violation of either international law or American constitutional law. It merely equalizes over the long run certain tax burdens as between those who remain subject to U.S. tax when they realize upon certain gains and those who abandon their citizen while the property remains unsold.

Furthermore, the proposed tax does not except, in the most indirect way, burden the right to emigrate. It is the right to emigrate rather than the right to expatriate oneself which is the subject of various conventions and of customary international law. As stated in the preceding paragraph, it basically equalizes certain tax burdens. It is not comparable to the measures imposed by such countries as the former Soviet Union and German Democratic Republic which were obviously and intentionally burdens on the right to emigrate.

In arriving at these conclusions I have reviewed various materials such as your statement before the Subcommittee on Taxation and Internal Revenue Oversight, two opinions of the Office of the Legal Adviser, U.S. State Department, the views of Professors Paul Stephan III and Robert Turner and others.

Very truly yours,

DETLEV F. VAGTS,
Bemis Professor of Law.

NEW YORK UNIVERSITY,
SCHOOL OF LAW,
New York, NY, March 27, 1995.

Hon. LESLIE B. SAMUELS,
Assistant Secretary (Tax Policy), Department of the Treasury, Washington, DC.

DEAR MR. SECRETARY: You have asked for my views on section 5 of H.R. 831 presently pending before the U.S. Senate, which as I understand it would impose a capital gains tax on United States citizens who renounce their U.S. citizenship, based on a hypothetical sale of all their property (subject to a deduction) immediately prior to renunciation. In particular, you have asked my view on whether such a tax would be inconsistent with applicable treaties or principles of international law.

STATEMENT OF QUALIFICATIONS

I have been a professor of law at New York University since 1967, specializing in international law and international economic transactions. Prior to joining the faculty of New York University, I served for more than five years in the United States Department of State, as Special Assistant to the Legal Adviser for Economic Affairs, and Deputy Legal Adviser (1961–66). I was an Associate Reporter for the American Law Institute's Restatement (Third) of the Foreign Relations Law of the United States (1979–87), and I served as consultant to the ALI Project on Income Tax Treaties (1988–92).

CONCLUSION

Without taking any position on the desirability of the proposed legislation, I am confident that neither adoption nor enforcement of the provision in question would violate any obligation of the United States or any applicable principles or international law.

ANALYSIS

There is no doubt that international law today recognizes the right to emigrate, and the right to change one's nationality. Article 13(2) of the universal Declaration of Human Rights (1948) states.

Everyone has the right to leave any country, including his own. . .

Article 15(2) states: No one shall be arbitrarily deprived of his nationality nor denied the right to change his nationality.

Without here debating the binding character of the Universal Declaration (see ''Restatement (Third) of Foreign Relations Law,'' introduction to Part VII, §701, and notes thereto), it is clear to me that the Congress should not be asked to adopt legislation that runs contrary to principles to which the United States has given and continues to give its support. I do not believe, however, that H.R. 831 is contrary either to the right to emigrate (i.e., change of one's residence) or to expatriate (i.e., change of one's nationality). No prohibition against performing either or both of these acts is contained in the proposed legislation, nor is the tax so burdensome as to be fairly regarded as penal or confiscatory.

Persons who wished to abandon their American Citizenship for reasons of political or religious belief would not be prevented from doing so by H.R. 831. Persons who were considering renunciation of their U.S. citizenship for purposes of reducing their tax liability—whether on income or upon succession at death—might be dissuaded by H.R. 831 from doing so, but I do not believe the effect of the proposed tax could be classified as an arbitrary denial of the right to change one's nationality within the meaning of the Universal Declaration.

I understand that the question has been raised whether H.R. 831 is inconsistent with §402 of the Trade Act of 1974, the so-called Jackson-Vanik Amendment. I am very familiar with the amendment, having written about it in my book ''Trade Controls for Political Ends'' at pp. 166–190 (2d.ed 1983). I am clear that the amendment was addressed to a quite different purpose, i.e., inducement to Soviet authorities to abandon their restrictions on Jews and some other groups who desired to leave the Soviet Union to escape discrimination and persecution. It is true that one of the restrictions against which the Jackson-Vanik Amendment was directed was taxation; however (i) the Soviet tax was a relatively high tax based not on wealth or income but on the level of education; and (ii) the tax was imposed on emigration, not on change of citizenship or nationality. I have read the prepared statement of Professor Robert F. Turner of March 21, 1995; I find his suggestion that H.R. 831 is somehow inconsistent with the ideals expressed in the Jackson-Vanik Amendment quite unpersuasive, as a matter of history, of purpose, and of law.

On sum, imposition of unreasonable conditions on emigration or change of nationality could be contrary to international law. H.R. 831 imposes no restrictions on emigration; it does impose some conditions on renunciation of United States citizenship, but these conditions are not unreasonable, and therefore not unlawful.

Respectfully submitted,

ANDREAS F. LOWENFELD,
Herbert and Rose Rubin Professor of International Law.

TUFTS UNIVERSITY
THE FLETCHER SCHOOL OF LAW AND DIPLOMACY,
Medford, MA, March 24, 1995.

Hon. DANIEL PATRICK MOYNIHAN,
U.S. Senate.

Re: Tax Compliance Act of 1995, H.R. 981

DEAR SENATOR MOYNIHAN: I am writing to express my serious concern over the proposed ''exit tax'' included in Sec. 201 of H.R. 981. This concern is based not on an evaluation of its tax consequences, an area in which I am not an expert, but rather on the possible inconsistency of the tax with fundamental international human rights norms and U.S. international legal obligations.

As you know, the U.S. is now a party to the Covenant on Civil and Political Rights, article 12 of which guarantees the right of everyone ''to leave any country, including his own.'' By coincidence, the United States will present its first report on compliance with the Covenant to the Human Rights Committee in New York next week.

Although I understand that the ''exit tax'' is based on renunciation of citizenship rather than on leaving the country, it is difficult to see how one can ''punish'' the former without seriously compromising the latter. Indeed, the imposition of confiscatory taxes has been a policy pursued by many countries to discourage emigration, whether on purported national security grounds, specious economic arguments, or to prevent ''brain drain;'' I address these and other issues in my 1987 book, ''The Right to Leave and Return in International Law and Practice'' (Martinus Nijhoff).

In 1986, a meeting of eminent American and European legal experts adopted the ''Strasbourg Declaration on the Right to Leave and Return,'' a copy of which I attach for your information. I would particularly

draw your attention to article 5, which states, inter alia, that ''[a]ny person leaving a country shall be entitled to take out of that country . . . his or her personal property . . . [and] all other property or the proceeds thereof, subject only to the satisfaction of legal monetary obligations, such as maintenance obligations to family members, and to general controls imposed by law to safeguard the national economy, provided that such controls do not have the effect of denying the exercise of the right.'' The tax in question would not appear to meet these standards.

Without having examined the provisions of Sec. 201 in greater detail, I cannot state definitively that it would violate international law. However, the human rights implications of such a provision appear to be extremely serious, and adoption of the law would seem, at best, to be hypocritical, given the legitimate and consistent U.S. insistence on free emigration from other countries over the years.

I hope that the Senate will examine these issues with great deliberation before it decides to balance the budget on the back of individual rights.

Yours sincerely,

HURST HANNUM,
Associate Professor of International Law.

APPENDIX F

STRASBOURG DECLARATION ON THE RIGHT TO LEAVE AND RETURN

Adopted on 26 November 1986

PREAMBLE

The Meeting of Experts on the Right to Leave and Return,

Recognising that respect for human rights and fundamental freedoms is essential for peace, justice and well-being and is necessary to ensure the development of friendly relations and co-operation among all states;

Recalling that the Universal Declaration of Human Rights, the International Covenant on Civil and Political Rights, and the International Convention on the Elimination of All Forms of Racial Discrimination, as well as regional conventions, recognize the fundamental principle, based on general international law, that everyone has the right to leave any country, including one's own, and to return to one's own country;

Emphasizing that the right of everyone to leave any country and to enter one's own country is indispensable for the full enjoyment of all civil, political, economic, social and cultural rights;

Concerned that the denial of this right is the cause of widespread human suffering, a source of international tensions, and an object of international concern;

Adopts the following Declaration:

Article 1

Everyone has the right to leave any country, including one's own, temporarily or permanently, and to enter one's own country, without distinction as to race, colour, sex, language, religion, political or other opinion, national or social origin, property, birth, marriage, age (except for unemancipated minors independently of their parents), or other status.

Article 2

Every state shall adopt such legislative or other measures as may be necessary to ensure the full and effective enjoyment of the rights set forth in this Declaration.

All laws, administrative regulations or other provisions affecting the enjoyment of these rights shall be published and made easily accessible.

THE RIGHT TO LEAVE

Article 3

(a) No person shall be subjected to any sanction, penalty, reprisal or harassment for seeking to exercise or for exercising the right to leave a country, such as acts which adversely affect, inter alia, employment, housing, residence status or social, economic or educational benefits.

(b) No person shall be required to renounce his or her nationality in order to leave a country, nor shall a person be deprived of nationality for seeking to exercise or for exercising the right to leave a country.

(c) No person shall be denied the right to leave a country on the grounds that that person wishes to renounce or has renounced his or her nationality.

Article 4

(a) No restriction may be imposed on the right to leave except those which are

(1) provided by law;

(2) necessary to protect national security, public order (ordre public), public health or morals or the rights and freedoms of others; and

(3) consistent with internationally recognized human rights and other international legal obligations.

Any such restriction shall be narrowly construed.

(b) Any restriction on the right to leave shall be clear, specific and not subject to arbitrary application.

(c) A restriction shall be considered ''necessary'' only if it responds to a pressing public and social need, pursues a legitimate aim and is proportionate to that aim.

(d) A restriction based on ''national security'' may be invoked only in situations where the exercise of the right poses a clear, imminent and serious danger to the State. When this restriction is invoked on the ground that an individual acquired military secrets, the restriction shall be applicable only for a limited time, appropriate to the specific circumstances, which should not be more than five years after the individual acquired such secrets.

(e) A restriction based on ''public order (ordre public)'' shall be directly related to the specific interest which is sought to be protected. ''Public order (ordre public)'' means the universally accepted fundamental principles, consistent with respect for human rights, on which a democratic society is based.

(f) A restriction based on ''the rights and freedoms of others'' shall not imply that relatives (except for parents with respect to unemancipated minors), employers or other persons may prevent, by withholding their consent, the departure of any person seeking to leave a country.

(g) No fees, taxes or other exactions shall be imposed for seeking to exercise or exercising the right to leave a country, with the exception of nominal fees related to travel documents.

(h) Permissibility of restrictions on the right to leave is subject to international scrutiny. The burden of justifying any such restriction lies with the state.

Article 5

(a) Any person leaving a country shall be entitled to take out of that country

(1) his or her personal property, including household effects and property connected with the exercise of that person's profession or skill;

(2) all other property or the proceeds thereof, subject only to the satisfaction of legal monetary obligations, such as maintenance obligations to family members, and the general controls imposed by law to safeguard the national economy, provided that such controls do not have the effect of denying the exercise of the right.

(b) Property or the proceeds thereof which cannot be taken out of the country shall remain vested in the departing owner, who shall be free to dispose of such property or proceeds within the country.

RIGHT TO ENTER OR RETURN

Article 6

(a) No one shall be deprived of the right to enter his or her own country.

(b) No person shall be deprived of nationality or citizenship in order to exile or to prevent that person from exercising the right to enter his or her country.

(c) No entry visa may be required to enter one's own country.

Article 7

Permanent legal residents who temporarily leave their country of residence shall not be arbitrarily denied the right to return to that country.

Article 8

On humanitarian grounds, a state should give sympathetic consideration to permitting the return of a former resident, in particular a stateless person, who has maintained strong *bona fide* links with that state.

PROCEDURAL SAFEGUARDS

Article 9

Everyone has the right to obtain such travel or other documents as may be necessary to leave any country or to enter one's own country. Such documents shall be issued free of charge or subject only to nominal fees.

Article 10

(a) Any national procedures or requirements affecting the exercise of the rights set forth in this Declaration shall be established by law or administrative regulations adopted pursuant to law.

(b) Everyone shall have the right to communicate as necessary with any person, including foreign consular or diplomatic officials, for the realization of the rights set forth in this Declaration.

(c) No state shall refuse to issue the documents referred to in Article 9 or shall otherwise impede the exercise of the right to leave, on the ground of the applicant's inability to present authorization to enter another country.

(d) Procedures for the issuance of the documents referred to in Article 9 shall be expeditious and shall not be unreasonably lengthy or burdensome.

(e) Everyone filing an application for any document referred to in Article 9 shall be entitled to obtain promptly a duly certified receipt for the application filed. Decisions regarding issuance of such documents shall be taken within a reasonable period of time specified by law. The applicant shall be promptly informed in writing of any decision denying, withdrawing, cancelling or postponing issuance of any such document; the specific reasons therefor; the facts upon which the decision is based; and the administrative or other remedies available to appeal the decision.

(f) The right to appeal to a higher administrative or judicial authority shall be provided in all instances in which the right to leave or enter is denied. The appellant shall have a full opportunity to present the grounds for the appeal, to be represented by counsel of his or her choice, and to challenge the validity of any fact upon which a denial or restriction has been founded. The results of any appeal, specifying the reasons for the decision, shall be communicated promptly in writing to the appellant.

FINAL CLAUSES

Article 11

Any person claiming a violation of his or her rights set forth in this Declaration shall have effective recourse to a judicial or other independent tribunal to seek enforcement of those rights.

Article 12

No state may impede communication by any person with an international organization or other bodies or persons outside the state with regard to the rights set forth in this Declaration, and no sanction, penalty, reprisal or harrassment may be imposed on anyone exercising this right of communication.

Article 13

The enjoyment of the rights set forth in this Declaration shall not be limited because of activities protected under internationally recognized human rights or other international legal obligations.

Article 14

Nothing in this Declaration shall be interpreted as implying from any state, group or person any right to engage in any activity or perform any act aimed at destroying any of the rights set forth herein or at limiting them to a greater extent than is provided for in this Declaration.

Article 15

The present Declaration shall not be interpreted to limit the enjoyment of any human right protected by international law.

EXHIBIT 3

CONGRESSIONAL RESEARCH SERVICE
THE LIBRARY OF CONGRESS
Washington, DC, March 23, 1995.

American Law Division, Memorandum

Subject: Whether Legislation That Would Tax Property Upon Expatriation Constitutes a Violation of International Law

Author: Jeanne J. Grimmet and Larry M. Eig, Legislative Attorneys

This memorandum addresses whether legislation that would tax the property of American citizens who renounce their citizenship at the time of renunciation violates an international obligation of the United States under a treaty or other international agreement or customary international law. Because of the brevity of our deadline, this memorandum does not provide a detailed analysis of this question, but rather briefly examines some of the more salient international legal issues that might be implicated by such legislation.

Based on this preliminary analysis, there does not appear to be a clear international legal impediment to the enactment of the proposed legislation. First, the legislation applies upon the act of renunciation of citizenship and would thus only indirectly affect emigration. While a right to emigrate is recognized in national legal systems and in both binding and non-binding international legal instruments, there does not appear to be an obvious consensus on the content of this right and, moreover, international legal instruments recognize the right of emigration may be restricted for certain purposes. Additionally, the proposed tax would not appear to violate a norm of customary international law. It would seem to be relatively common in international practice for an individual to incur tax consequences as a result of his or her emigration or expatriation.

Proposed legislation. Section 5 of H.R. 831, 104th Cong., 1st Sess. (1995), as reported by the Senate Finance Committee, would amend federal income tax law to require that property held by a United States citizen who relinquishes his or her citizenship be treated as sold for its fair market value at the time of relinquishment and any gain or loss be taken into account for the taxable year (new 26 U.S.C. §877A). Certain exceptions and conditions would apply to the general rule. Items currently excluded from gross income under 26 U.S.C. §§102 et seq. would continue to be excluded, as would real property and interests in retirement plans. The amount of realized gain would be reduced (but not below zero) by $600,000.

A tentative tax would be due 90 days after the taxpayer relinquishes citizenship, but for good cause payment of tax may be extended by the Secretary of the Treasury for up to 10 years. An individual will be deemed to have relinquished his or her citizenship (1) on the date the individual renounces his or her United States nationality before a diplomatic or consular officer, furnishes the State Department a signed statement of voluntary relinquishment, or is issued a certificate of loss of nationality by the State Department or (2) for naturalized citizens, on the date a court cancels the citizen's certificate of naturalization.

Currently, nonresident aliens are subject to income tax on certain property for ten years after losing United States citizenship, unless the loss of citizenship did not have as one of its purposes the avoidance of federal or income or estate and gift taxes (26 U.S.C. §877). This law would cease to apply to any individual who relinquishes his or her citizenship on and after February 6, 1995 (new 26 U.S.C. §877(f)).

International agreements. With respect to the right of emigration, we can identify only one clearly binding international agreement to which the United States is a party that addresses the right to emigrate as possibly implicated here—namely, the International Covenant on Civil and Political Rights.

Article 12 of the Covenant, which entered into force for the United States on September 8, 1992, provides, in pertinent part, as follows:

2. Everyone shall be free to leave any country, including his own.

3. The above-mentioned rights shall not be subject to any restrictions except those which are provided by law, are necessary to protect national security, public order (''order public''), public health or morals or the rights and freedoms of others, and are consistent with the other rights recognized in the present Covenant.

In submitting the Covenant to the Senate, the Executive Branch specifically stated that Article 12 ''guarantees . . . the right of emigration to all those lawfully within the territory of a State party.''[1]

The Convention does not make the right to emigrate an absolute one. The right may be restricted for, among other things, reasons of ''public order,'' a phrase roughly analogous to the concept of public policy and likely including such notions as ''economic order.''[2] Some commentary apparently indicates that States may certainly require that citizens pay normal tax obligations and public debts upon emigration,[3] but suggests that economic controls should not result in a de facto denial of the right to leave.[4]

The proposed legislation does not directly restrict the right of an individual to leave the United States and indeed covers individuals who may have already chosen to reside elsewhere. The tax would not be triggered by the mere act of leaving or residing abroad. It would be based on activities that occurred while the taxpayer was a citizen and appears to generally reflect amounts that for the most part would otherwise be payable upon death. The proposed tax obligation contains elements found in existing tax laws—for example, exclusions for items currently excludable from income tax under 26 U.S.C. §§101 et seq. (certain interest on state and local bonds, gifts and inheritances, etc.) and an exclusion of the first $600,000 of gain. Currently 26 U.S.C. §6018 requires an executor to file an estate tax return in all cases where the gross estate at the death of a citizen or resident exceeds $600,000. While current deferrals would apparently be eliminated, the possibility of deferred payment is not entirely foreclosed. Further, the tax burden would seem to be immediately lessened by the fact that certain real property and pension plans would be excluded.

Though curbs on expatriation may indirectly affect one's ability to emigrate, one may question, however, whether a restriction on expatriation would in fact restrict this right. The proposed tax does not, for example, amend current constitutional and statutory protection of a U.S. citizen's right to leave the country whether or not the tax is paid; in other words, the act of emigration would not appear to be conditioned on such payment. Moreover, it seems difficult to argue that a condition on U.S. expatriation would so affect foreign countries' willingness to accept U.S. citizens as residents that the right to leave the U.S. would be substantially impaired. More likely, there may be a number of foreign laws and regulations that could burden an individual who seeks to live elsewhere—e.g., restrictions on immigration, acquiring citizenship, eligibility for benefits.

Customary international law. Customary international law is defined as resulting ''from a general and consistant practice of states followed by them from a sense of legal obligation.[5] Further, a principle of customary international law would not bind a State that dissents from the norm while it is being developed nor if and when the practice evolves into a rule.[6] As stated in the Foreign Relations Restatement, whether a principle has achieved the status of an international legal norm would generally be determined by ''evidence appropriate to the particular source from which that rule is alleged to derive,''[7] and thus the most reliable evidence for customary law would be ''proof of state practice, ordinarily by reference to official documents and other indications of governmental action'' and similar proof regarding a nation's dissent from the principle.[8]

The Universal Declaration of Human Rights (a United Nations General Assembly Resolution) and the Final Act of the Conference of Security and Cooperation in Europe (Helsinki Final Act) state or incorporate the notion of freedom of emigration[9] and to this extent they may be said to articulate a generally recognized international human right. It appears to remain uncertain, however, whether the Universal Declaration is binding.[10] Further, the Helsinki Final Act is not intended to legally bind parties. Even assuming that the right to emigrate may be considered to be a norm of customary international law, it is unclear whether the proposed tax would violate that right, given the apparent lack of international consensus on the issue of taxes keyed to expatriation and state practice to the contrary.

As for the right of expatriation in general, the Universal Declaration of Human Rights provides that ''no one shall be denied the right to change his nationality'' (Art. 15(2)). Nevertheless, while the United States over 10 years ago recognized a right of expatriation in statute,[11] other countries appear to have expressed different views on the matter.[12]

More specifically, identifying customary international law that may restrict a State's ability to limit emigration and expatriation necessarily requires examination of State taxation practices that affect those acts. A recent Joint Committee on Taxation staff document indicates that policies that attach

Footnotes at end of article.

tax consequences to emigration are common.[13] Many countries, including the United States, continue to impose income and capital gains tax liability on former residents (including citizens) after they emigrate. Commonly, this income and gains are also fully taxable in the new country of residence, and a recent emigre may face significantly higher taxation than would have been incurred had he or she not emigrated. Additionally Australia and Canada already tax an emigre's property upon emigration. Denmark and Germany also deem some types of property to have been sold upon emigration for tax purposes. In addition, United States bilateral income tax treaties generally contain a provision reserving a right on the part of the United States to tax for a period of ten years the property of a former citizen who is resident in the territory of the treaty partner.[14] Entry into the treaty obligation would appear to indicate at least some foreign acquiescence in this practice. In sum, the ''expatriation tax'' under consideration would not appear to inhibit international movement in ways that current international tax practice already does not.

Jackson-Vanik Amendment. The Jackson-Vanik Amendment, which makes nonmarket economy (NME) countries that do not meet statutory freedom-of-emigration standards ineligible for United States trade and financial benefits,[15] would not appear to provide sufficient evidence of the kind of state practice that is needed to create a customary rule of international law regarding the type of tax that is being proposed here. Three types of conduct are addressed by the Amendment: (1) denying citizens the right or opportunity to emigrate; (2) imposing more than a nominal tax on emigration or on the visas or other documents required for emigration, for any purpose or cause whatsoever; and (3) imposing more than a nominal tax, levy, fine, fee, or other charge on any citizen as a consequence of the desire of such citizen to emigrate to the country of his choice.[16] While the statute specifically incorporates language regarding the right to emigrate and defines unacceptable restrictions on that right, placing Jackson-Vanik-type requirements on trading partners would appear to be unique to the United States. Further, the targeted taxes are specifically related to emigration, rather than to expatriation and, moreover, clearly apply in an overly restrictive manner. They include fees for passport applications and exit visas that are ordinarily prohibitive when measured against average income.[17] These are far removed from the kind of tax proposed in H.R. 831, which, among other things, applies to individuals who have incurred a tax burden because of actions that would generally implicate tax laws absent renunciation of citizenship, affects taxpayers with untaxed capital gains in excess of $600,000, and, if the Internal Revenue Service agrees, might be payable on a deferred basis.

FOOTNOTES

[1] Senate Exec. E, 95th Cong., 2d Sess. xii (1977).

[2] See Kiss, ''Permissible Limitations on Rights,'' in L. Henkin, ed., The International Bill of Rights 290, 299–302 (1981); M. Nowak, U.N. Covenant on Civil and Political Rights: CCPR Commentary 212–214 (1993)[hereinafter cited as Nowak].

[3] The Movement of Persons Across Borders 82 (Sohn & Buergenthal eds. 1992), as cited in Prepared Statement of Robert F. Turner Before the Subcommittee on Taxation and IRS Oversight, Senate Comm. on Finance, March 21, 1995, at 8. We have been unable to consult this treatise directly.

[4] See, e.g., H. Hannum, ''The Right to Leave and Return in International Law and Practice 39–40 (1987); cf. Nowak, supra note 2, at 213–14.

[5] American Law Institute, Restatement (Third) of the Foreign Relations Law of the United States § 102(2) (1987)[hereinafter cited as Foreign Relations Restatement]; see also Statute of the International Court of Justice, Art. 33(1).

[6] Id. at Comments b and d.

[7] Id. § 103(1).

[8] Id. at Comment a.

[9] The International Declaration of Human Rights provides at Article 13(2) that ''everyone has the right to leave any country, including his own.'' The Final Act of the Conference on Security and Co-operation in Europe, August 1, 1975 (Helsinki Final Act), provides that ''the participating States will act in conformity with the purposes of the Charter of the United Nations and with the Universal Declaration of Human Rights. They will also fulfil their obligations as set forth in the international declarations and agreement in this field, including inter alia, the International Covenants on Human Rights, by which they may be bound.'' Helsinki Final Act, Declaration on Principles Guiding Relations Between States, ¶ VII.

[10] Foreign Relations Restatement, supra note 5, at § 701, Reporters' Note 6.

[11] Expatriation Act of July 27, 1868, 15 Stat. 223, 8 U.S.C. § 1481 note.

[12] W. Bishop, International Law 526 (3d ed. 1971); Foreign Relations Restatement, supra note 5, at § 211, Reporters' Note 4.

[13] Joint Committee on Taxation Staff Document (JCX–14–95) on Background and Issues Relating to Taxation of U.S. Citizens Who Relinquish Citizenship, Prepared for Senate Finance Committee Hearing March 21, 1995, at 8–11 [hereinafter cited as Joint Committee Document], as reprinted in Daily Tax Reporter, No. 55, L–11, L–15—L–16 (March 22, 1995).

[14] Joint Committee Document, supra note 13, at 16, as reprinted in Daily Tax Reporter, March 22, 1995, at L–18.

[15] 19 U.S.C. § 2432.

[16] 19 U.S.C. § 2432(a).

[17] Joint Committee Document, supra note 13, at 18, as reprinted in Daily Tax Reporter, March 22, 1995, at L–19.

SECTION 201 OF TAX COMPLIANCE ACT OF 1995: CONSISTENCY WITH INTERNATIONAL HUMAN RIGHTS LAW

The Department of State believes that Section 201 of the proposed Tax Compliance Act of 1995 is consistent with international human rights law. As described below, closing a loophole that allows extremely wealthy people to evade U.S. taxes through renunciation of their American citizenship does not violate any internationally recognized right to leave one's country. It is inaccurate on legal and policy grounds to suggest that the Administration's proposal is analogous to efforts by totalitarian regimes to erect financial and other barriers to prevent their citizens from leaving. The former Soviet Union, for example, sought to impose such barriers only on people who wanted to leave, and not on those who stayed. In contrast. Section 201 seeks to equalize the tax burden born by all U.S. citizens by ensuring that all pay taxes on gains above $600,000 that accrue during the period of their citizenship. Unlike the Soviet effort to discriminate against people who sought to leave, the purpose of Section 201 is to treat those who renounce their U.S. citizenship on the same basis as those who remain U.S. citizens.

Section 201 would require payments of taxes by U.S. citizens and long-term residents on gains above $600,000 that accrue immediately prior to renunciation of their U.S. citizenship or long-term residency status. These tax requirements are similar to those that they would face if they remained U.S. citizens or long-term residents at the time they realized their gains or at death. While U.S. tax policy generally allows taxpayers to defer gains until they are realized or included in an estate, we understand from the Department of the Treasury that Section 201 treats renunciation as a taxable event because such act effectively removes the underlying assets from U.S. taxing jurisdiction.

International law recognizes the right of all persons to leave any country, including their own, subject to certain limited restrictions. Article 12(2) of the International Covenant on Civil and Political Rights provides that: ''Everyone shall be free to leave any country, including his own.'' Article 12(3) states that the right ''shall not be subject to any restrictions except those which are provided by law, are necessary to protect national security, public order (order public), public health or morals or the rights and freedoms of others, and are consistent with the other rights recognized in the present Covenant.''

Section 201 does not affect a person's right to leave the United States. Any tax obligations incurred under Section 201 would be triggered by the act of renunciation of U.S. citizenship, and not by the act of leaving the United States. In addition, since during peacetime U.S. citizens must be outside the United States to renounce their citizenship (see 8 U.S.C. Secs. 1481(a)(5), 1483(a)) the persons affected by Section 201 would have already left the United States. Renunciation does not preclude them from returning to the United States as aliens and subsequently leaving U.S. territory. Accordingly, Section 201 does not affect a person's right or ability to leave the United States.

Inherent in the right to leave a country is the ability to leave permanently, i.e., to emigrate to another country willing to accept the person. The proposed tax is as unconnected to emigration as it is to the right to leave the United States on a temporary basis. It is not the act of emigration that triggers tax liability under Section 201, but the act of renunciation of citizenship. These two acts are not synonymous and should not be confused with one another. Because the United States allows its citizens to maintain dual nationality, U.S. citizens may emigrate to another country and retain their U.S. citizenship. Hence, the act of emigration itself does not generate tax liability under Section 201. Indeed, we understand from the Department of the Treasury that some of the people potentially affected by Section 201 already maintain several residences abroad and hold foreign citizenship. Moreover, in stark contrast to most emigrants, particularly those fleeing totaliatarian regimes, some continue to spend up to 120 days each year in the United States after they have renounced their U.S. citizenship.

While emigration from the United States should not be confused with renunciation of U.S. citizenship, it should nonetheless be noted that it is well established that a State can impose economic controls in connection with departure so long as such controls do not result in a de facto denial of emigration. As Professor Hurst Hannum notes in commenting on the restrictions on the right to leave set forth in Article 12 of the Covenant:

''Economic controls (currency restrictions, taxes, and deposits to guarantee repatriation) should not result in the de facto denial of an individual's right to leave . . . If such taxes are to be permissible, they must be applied in a non-discriminatory manner and must not serve merely as a pretext for denying the right to leave to all or a segment of the population (for example, by requiring that a very high 'education tax' be paid in hard currency in a country in which possession of hard currency is illegal).''[1]

A wealthy individual who is free to travel and live anywhere in the world, irrespective of nationality, is in no way comparable to that of a persecuted individual seeking freedom who is not even allowed to leave his or her country for a day. In U.S. law, the Jackson-Vanik amendment to the Trade Act of 1974 (19 U.S.C. Sec. 2432) is aimed at this latter case and applies to physical departure, not change of nationality. Examples of States' practices that have been considered to interfere with the ability of communist

country citizens to emigrate include imposing prohibitively high taxes specifically applied to the act of emigration with no relation to an individual's ability to pay, or disguised as ''education taxes'' to recoup the State's expenses in educating those seeking to depart permanently. Such practices also include punitive actions, intimidation or reprisals against those seeking to emigrate (e.g., firing the person from his or her job merely for applying for an exit visa). It is these offensive practices that the Jackson-Vanick amendment is designed to eliminate and thereby ensure that the citizens of all countries can exercise their right to leave. (See Tab A for further analysis of the Jackson-Vanik amendment.)

The only international human rights issue that is relevant to analysis of Section 201 is whether an internationally recognized right to change citizenship exists and, if so, whether Section 201 is consistent with it. The Universal Declaration of Human Rights, which is in many respects considered reflective of customary international law, provides in Article 15(2) that: ''No one shall be arbitrarily deprived of his nationality nor denied the right to change his nationality'' (emphasis added).[2] Although many provisions of the Universal Declaration have been incorporated into international law, for example in the International Covenant on Civil and Political Rights, Article 15(2) is not. Accordingly, the question arises whether this provision could be considered to be customary international law.

States' views on this question and practices do vary. Many countries have laws governing the renunciation of citizenship, but renunciation is not guaranteed because they have also established preconditions and restrictions, or otherwise subject the request to scrutiny.[3] Professor Ian Brownlie has commented on Article 15(2) in the context of expatriation that: ''In the light of existing practice, however, the individual does not have this right, although the provision in the Universal Declaration may influence the interpretation of internal laws and treaty rules.''[4] Others agree with this position. (See Restatement of the Foreign Relations Law of the United States, Sec. 211, Reporters' Note 4). Nonetheless, the United States believes that individuals do have a right to change their nationality. The U.S. Congress took the view in 1868 that the ''right of expatriation is a natural and inherent right of all people'' in order to rebut claims from European powers that ''such American citizens, with their descendants, are subjects of foreign states, owing allegiance to the governments thereof. . . .'' (Rev. Stat. Sec. 1999).

It is evident, however, that States do not recognize an unqualified right to change nationality. It is generally accepted, for example, that a State can require that a person seeking to change nationality fulfill obligations owed to the State, such as pay taxes due or perform required military service.[5] This is especially true where—as here—the requirement is by its nature proportional to the means to pay, and thus does not present a financial barrier.

The consistency between Section 201 and international human rights law is further demonstrated by the practice of countries that are strong supporters of international human rights and that have adopted similar tax policies. According to the Report prepared by the Staff of the Joint Committee on Taxation, Germany imposes an ''extended tax liability'' on German citizens who emigrate to a tax-haven country or do not assume residence in any country and who maintain substantial economic ties to Germany. Australia imposes a tax when an Australian resident leaves the country; such person is treated as having sold all of his or her non-Australian assets at fair market value at the time of departure. To provide another example, Canada considers a taxpayer to have disposed of all capital gain property at its fair market value upon the occurrence of certain events, including relinquishment of residency.

Accordingly, Section 201 would not raise concerns with respect to change of citizenship for two reasons. First, U.S. citizens would remain free to choose to change their citizenship. This proposal does not in any way preclude such choice, even indirectly. Any tax owed, by its nature, applies only to gains and thus should not exceed an individual's ability to pay. Second, international law would not proscribe reasonable consequences of relinquishment, such as liability for U.S. taxes that accrue during the period of citizenship. We understand from the Department of the Treasury that the imposition of taxes under Section 201 would be equitable, reasonable and consistent with overall U.S. tax policy. We are aware of no evidence that would suggest otherwise. The tax, as we understand it, applies only to gains that accrued during the period of citizenship in excess of $600,000; the tax rate is consistent with other tax rates; and affected persons have the financial means to pay the tax. Indeed, were these persons to choose to retain their U.S. citizenship, they would have to pay similar taxes upon realization of their gains or upon death. Obviously, there is no international right to avoid paying taxes by changing one's citizenship.

In conclusion, it is the view of the Department of State that Section 201 does not violate international human rights law. Accordingly, the debate on the merits of Section 201 should focus solely on domestic tax policies and priorities.

FOOTNOTES

[1] H. Hannum, ''The Right to Leave and Return in International Law and Practice'' 39–40 (1987).

[2] Article XIX of the American Declaration on the Rights and Duties of Man provides that: ''Every person has the right to the nationality to which he is entitled by law and to change it, if he so wishes, for the nationality of any other country that is willing to grant it to him.'' The Declaration is not a treaty and has not itself acquired legally binding force.

[3] See Coumas v. Superior Court in and for San Joaquin County (People, Intervenor), 192 P. 2d 449, 451 (Sup. Ct. Calif. 1948). When confronted with Greek refusal to consent to an expatriation, the Supreme Court of California stated: ''. . . The so-called American doctrine of 'voluntary expatriation' as a matter of absolute right cannot postulate loss of original nationality on naturalization in this country as a principle of international law, for that would be tantamount to interference with the exclusive jurisdiction of a nation within its own domain.''

[4] I. Brownlie, ''Principles of International Law'' (4th ed.) 557 (1990). Professor Lillich comments that ''the right protected in [Article 15] has received very little subsequent support from states and thus can be regarded as one of the weaker rights . . . '' ''Civil Rights,'' in T. Meron, ''Human Rights in International Law'' at 153–154 (1988).

[5] A State should not, for example, withhold discharge from nationality if, inter alia, acquisition of the new nationality has been sought by the person concerned in good faith and the discharge would not result in failure to perform specific obligations owed to the State. P. Weis, ''Nationality and Statelessness in International Law'' (2nd ed.) 133 (1979). In Coumas, supra note 3, the Supreme Court of California observed that Greece qualified the right of expatriation on fulfillment of military duties and procurement of consent of the Government.

TAB A

Section 201 of the proposed Tax Compliance Act of 1995 does not conflict with the Jackson-Vanik amendment to the Trade Act of 1974 (19 U.S.C. §2432). That amendment restricts granting most-favored-nation treatment and certain trade related credits and guarantees to a limited number of nonmarket economies that unduly restrict the emigration of their nationals. Specifically, it applies to any nonmarket economy which:

''(1) Denies its citizens the right or opportunity to emigrate;

''(2) Imposes more than a nominal tax on emigration or on the visas or other documents required for emigration, for any purposes or cause whatsoever; or

''(3) Imposes more than a nominal tax, levy, fine, fee or other charge on any citizen as a consequence of the desire of such citizen to emigrate to the country of his choice * * *.''

This provision, according to the Senate Finance Committee, was ''intended to encourage free emigration of all peoples from all communist countries (and not be restricted to any particular ethnic, racial, or religious group from any one country). (1974 U.S.C.C.A.N. 7338.) These countries were expected to ''provide reasonable assurances that freedom of emigration will be a realizable goal'' if they were to enter into bilateral trade agreements with the United States. (Id.)

The amendment does not apply to emigration from the United States or to the renunciation of U.S. citizenship. It has been suggested, however, that Section 201 would somehow conflict with the ''spirit'' or the ''principles'' of the Jackson-Vanik amendment. The Department of State does not agree with such proposition.

Generally, in implementing this statute, the President makes determinations concerning a nonmarket economy's compliance with freedom of emigration principles contained in the amendment. Such determinations take into account the country's statutes and regulations, and how they are implemented day to day, as well as their net effect on the ability of that country's citizens to emigrate freely. The President may, by Executive Order, waive the prohibitions of the Jackson-Vanik amendment if he reports to Congress that a waiver will ''substantially promote'' the amendment's freedom of emigration objectives, and that he has received assurances from the country concerned that its emigration practices ''will henceforth lead substantively to the achievement'' of those objectives. (19 U.S.C. sec. 2431(c).)

Several types of State practices have been considered by the United States to interfere with the ability of communist country citizens to emigrate, such as:

Prohibitively high taxes specifically applied to the act of emigration with no relation on an individual's ability to pay or disguised as ''education taxes'' seeking to recoup the state's expenses in educating those who are seeking to permanently depart;

Punitive actions, intimidation or reprisals by the State against those seeking to emigrate (e.g., firing a person from his or her job merely for applying for an exit visa);

Unreasonable impediments, such as requiring adult applicants for emigration visas to obtain permission from their parents or adult relatives;

Unreasonable prohibitions of emigration based on claims that the individual possesses knowledge about state secrets or national security; and

Unreasonable delays in processing applications for emigration permits or visas, interference with travel or communications necessary to complete applications, withholding of necessary documentation, or processing applications in a discriminatory manner such as to target identifiable individuals or groups for persecution (e.g., political dissidents, members of religious or racial groups, etc.).

Examples of these practices in the context of the former Soviet Union are described in an exchange of letters between Secretary of

State Kissinger and Senator Jackson of October 18, 1974, discussing freedom of emigration from the Soviet Union and Senator Jackson's proposed amendment to the Trade Act, now known as the Jackson-Vanik amendment. (Reprinted in 1974 U.S.C.C.A.N. 7335–38.)

As explained in the accompanying memorandum, Section 201 does not deny anyone the right or ability to emigrate, and does not impose a tax on any decision to emigrate. Neither does the proposed tax raise questions of disparate standards applicable to the United States as against the nonmarket economies subject to Jackson-Vanik restrictions.

The emigration practices of those countries which have been the target of Jackson-Vanik restrictions have typically involved individuals or groups that have been persecuted by the State (e.g., dissidents), precluded family reunification, applied across the board to all citizens by a totalitarian State in order to preclude massive exodus, or have otherwise been so restrictive as to effectively prevent the exercise of the international right to leave any country including one's own (as recognized in Article 12(2) of the International Covenant on Civil and Political Rights and further described in the accompanying memorandum). Furthermore, the primary objectives of those seeking to emigrate from those countries have been to avoid further persecution or to be reunified with their relatives, and to leave permanently. It was the act of leaving for any period of time that the State sought to block. None of these conditions are comparable to the exercise of taxing authority by the United States under Section 201 or to the status of individuals who would be subject to that tax.

As stated in the accompanying memorandum, Section 201 would not interfere with the right of an individual to physically depart from the United States, whether temporarily or permanently.

TUFTS UNIVERSITY, THE FLETCHER SCHOOL OF LAW AND DIPLOMACY,
March 31, 1995.

Hon. DANIEL PATRICK MOYNIHAN,
U.S. Senate.
Attention: Patricia McClanahan,
Re Tax Compliance Act of 1995, H.R. 981.

DEAR SENATOR MOYNIHAN: I wrote you on 24 March expressing my concern over the possible human rights implications of the so-called "exit tax" called for in the above-referenced bill. As I noted then, what appeared to be the imposition of a tax solely on the ground that a person was renouncing his or her citizenship could interfere with the right of every person "to leave any country, including his own," which is guaranteed under article 12 of the Covenant on Civil and Political Rights.

I am gratified that the human rights issues related to this bill have become a subject of serious debate, and I appreciate your contribution to that debate. Having now received additional and more specific information about the tax, however, I have become convinced that neither its intention nor its effect would violate present U.S. obligations under international law.

Although imposition of a special tax on those who wished to renounce U.S. citizenship might be questionable, it is my understanding that the tax in question is based on accrued income and, in effect, treats renunciation of citizenship as the financial equivalent of death for the purpose of attaching tax liability. There are undoubtedly negative consequences to the individual concerned in having to pay taxes on gains while he or she is alive rather than after death, but there is no internationally protected right to escape taxation by changing citizenship. However, in order to clarify that the purpose and effect of the proposed tax are non-discriminatory, the language might be rewritten to offer the individual the option of complying with the new tax or electing to have realized gains taxed only as part of the individual's estate—subject to an appropriate escrow account being established for money which would be otherwise be expected to be beyond U.S. jurisdiction at the time of death.

In sum, imposition of a non-discriminatory tax on accrued income at the time citizenship is renounced, in a manner consistent with the way in which that same income would be treated at the time of death, does not appear to me to violate either the internationally protected right to emigrate or the (somewhat less well protected) right to a nationality.

Thank you for the opportunity to clarify my views on this important matter.

Yours sincerely,

HURST HANNUM,
Associate Professor of International Law.

The PRESIDING OFFICER (Mrs. KASSEBAUM). The question is on agreeing to the amendment of the Senator from Massachusetts. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The bill clerk called the roll.

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

The result was announced—yeas 96, nays 4, as follows:

[Rollcall Vote No. 128 Leg.]

YEAS—96

Abraham	Feingold	Lugar
Akaka	Feinstein	McCain
Ashcroft	Ford	McConnell
Baucus	Frist	Mikulski
Bennett	Glenn	Moseley-Braun
Biden	Gorton	Moynihan
Bingaman	Graham	Murkowski
Bond	Grams	Murray
Boxer	Grassley	Nickles
Bradley	Gregg	Nunn
Breaux	Harkin	Packwood
Brown	Hatch	Pell
Bryan	Hatfield	Pressler
Bumpers	Heflin	Pryor
Burns	Helms	Reid
Byrd	Hollings	Robb
Campbell	Hutchison	Rockefeller
Chafee	Inhofe	Roth
Coats	Inouye	Santorum
Cochran	Jeffords	Sarbanes
Cohen	Johnston	Shelby
Conrad	Kassebaum	Simon
Coverdell	Kempthorne	Simpson
D'Amato	Kennedy	Smith
Daschle	Kerrey	Snowe
DeWine	Kerry	Specter
Dodd	Kohl	Stevens
Dole	Lautenberg	Thomas
Domenici	Leahy	Thompson
Dorgan	Levin	Thurmond
Exon	Lieberman	Warner
Faircloth	Lott	Wellstone

NAYS—4

Craig	Kyl
Gramm	Mack

So, the amendment (No. 448) was agreed to.

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

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

The motion to lay on the table was agreed to.

Mr. LOTT. Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

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

AMENDMENT NO. 567 TO AMENDMENT NO. 420

(Purpose: To make $10,000,000 of nutrition services and administration funds for WIC to promote immunizations)

Mr. BUMPERS. Madam President, I send an amendment to the desk.

The PRESIDING OFFICER. Without objection, the pending amendments will be set aside. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Arkansas [Mr. BUMPERS] proposes an amendment numbered 567 to amendment No 420.

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

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

The amendment is as follows:

"SPECIAL SUPPLEMENTAL FOOD PROGRAM FOR WOMEN, INFANTS, AND CHILDREN (WIC)

"The paragraph under this heading in Public Law 103–330 (108 Stat. 2441) is amended by inserting before the period at the end, the following:

": *Provided further,* That notwithstanding any other provision of law, up to $10,000,000 of nutrition services and administration funds may be available for grants to WIC State agencies for promoting immunization through such efforts as immunization screening and voucher incentive programs."

Mr. BUMPERS. Madam President, this is an amendment that was part of the law last year and should be part of the bill this year. It allows up to $10 million in WIC administrative expenses to be used for incentives for immunizing children prior to the age of 2 years.

This has been cleared by Senator COCHRAN, who is chairman of the Appropriations Committee on Agriculture where this resides, and with the distinguished chairman of the full Appropriations Committee.

Mr. HATFIELD addressed the Chair.

The PRESIDING OFFICER. The Senator from Oregon.

Mr. HATFIELD. Madam President, the Senator is correct. The matter has been cleared by our side of the aisle, by the subcommittee chair, and the Senator from Arkansas is the ranking member of that subcommittee.

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

The amendment (No. 567) was agreed to.

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

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

The motion to lay on the table was agreed to.

Mr. WELLSTONE. Madam President, I ask unanimous consent that I be able to speak for 10 minutes as in morning business.

Mr. LOTT. Madam President, the Senator is not offering an amendment, he is just going to speak in morning business?

Mr. WELLSTONE. Madam President, the Senator from Mississippi is correct.

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

VIOLENCE IN AMERICA

Mr. WELLSTONE. I thank the Chair.

Madam President, I come before the Senate today to underscore the commitment that we must make to end domestic violence in America.

Beginning today, every time a person in my State of Minnesota dies at the hands of an abuser, I will make sure that their story becomes part of the CONGRESSIONAL RECORD. I do this so that we all remember how deeply this violence scars our society and, most importantly, as a reaffirmation of our commitment to ending domestic violence.

Indeed, if we are ever going to stop the violence in our communities and in our workplaces and on the street, we must begin in the home.

I am here today with evidence that the brutal violence continues, and while it continues to be the single most important or the single most significant cause of injury to women, this violence knows no boundaries of age or gender or race or geography or income or education. The violence goes on year after year, generation after generation.

In Minnesota in 1994, at least 19 women and 7 children were killed brutally by a spouse or former partner. With pain, but also with great determination, I ask that we honor the memory of the following individuals, and from my heart, I ask that we work to end the kind of violence that has cost these individuals, their families and their communities so much:

Pamela Bennett, 34 years of age, January 5, Bemidji, MN. Pamela and her boyfriend of Bemidji were traveling together in Oregon when they stopped at a rest stop. Hoagland reported to authorities that a hit-and-run driver struck Pamela at the rest stop as she exited the restroom. She was dead upon arrival at the hospital. When police found no evidence of an accident, Hoagland told authorities that he had lied about the accident and that she fell beneath their travel trailer as he pulled away from the rest stop without her. Hoagland was charged with filing a false police report, assault and harassment. In late March, Hoagland pleaded guilty to misdemeanor charges in her death. He was sentenced to 5 months in jail.

Pamela Kay Currie, 45, January 14, St. Francis, MN. Pamela was found stabbed to death in her home by police who were called by her husband, Gary Currie. He reported awaking in the morning and finding his wife dead on the bed and a knife sticking out of his own chest. He told authorities he remained in bed for almost a whole day before calling 911 because he hoped he would die. Curry was charged with second-degree murder.

Mary Sue Oberender, 46, February 16, Watertown, MN. Mary Sue was found shot to death in her home by her husband, Lawrence. Authorities discovered the car in Minneapolis and, within a half an hour, arrested two youths. The youths, Mary Sue's teenage son, Christian, 14, and a friend, also 14, were arrested. They indicated the shooting stemmed from a minor difference one of them had had with the mother. Police said the shooting appeared somewhat planned, as if by ambush. There were no signs of struggle. Mary Sue was a volunteer for Scouts at a local elementary school. Her husband is a Watertown-Mayer school board member.

Gertrude Bestor, 86, February 19, Granger, MN.

And finally, some murders of children:

Lydia Healy, 4 years of age. Police officers found Lydia lying on her living room floor after her mother, Judey Healy, reported to police that Lydia wasn't breathing. Lydia was hospitalized for 8 days before she died. Her injuries included massive swelling of the brain caused by shaking or hitting; large black-and-blue marks on the tops of her feet; marks on her legs; bruises on her stomach and chest; a burned hand; bruises on her face; two large welts above an eye and on her cheek; and a burn or cut on her chin. Lydia's 11-year-old brother told police that his mother beat Lydia with a spatula and was left sitting in a bathtub of cold water. The next morning, neither he nor his mother were able to wake Lydia. Judey Healy was charged with second-degree murder.

Geneva Broaden, 15, March 10, 1995, St. Paul. Alfred Robinson, 51, the live-in companion of Geneva's mother, summoned authorities to their home and reportedly confessed to beating Geneva. Robinson told police he punched Geneva and kicked and stomped on her after she fell down because of a dispute over use of the telephone. When found, Geneva was not breathing and was transported to a medical center where she was pronounced dead. Police described the assault as ''a very vicious attack.''

Adriana Whiteside, age 4, March 11, 1995, St. Paul. Adriana was found stabbed inside her father's apartment. She was stabbed near her heart with a pocketknife and was rushed to the hospital where she died a short time later. A 14-year-old boy, Randy Burgess, who was babysitting Adriana and her infant stepsister, was seen by neighbors running through the building, carrying Adriana screaming, ''Call 911. I stabbed a baby.'' He was arrested at the scene. He allegedly told police he was planning to kill someone when he found himself alone with Adriana. Randy Burgess was charged with intentional second-degree murder.

And finally, Jessica Turner, age 8, March 31, 1995, St. Paul. Jessica died after being stabbed in the chest and tumbling down a flight of stairs in her parent's apartment. Her stepfather, who had been released from a chemical dependency center on March 24, was drinking when he allegedly stabbed Jessica and her mother. He was found 5 hours after the stabbings, arrested and was charged with second-degree murder and attempted second-degree murder.

Madam President, as I went over the names of these Minnesotans who died at the hands of an abuser—and as I say, I want their story to become a part of the CONGRESSIONAL RECORD because I want us to honor them, I want us to make a commitment to stopping this violence—I realize that I did not read the circumstances of Gertrude Bestor, 86.

Gertrude's daughter went to her mother's house after a signal had been sounded by Gertrude's medical alert alarm. As she approached the house, she saw a pickup truck speeding away and found Gertrude lying on her bedroom floor beaten to death.

The daughter recognized the truck as belonging to Gertrude's step-great-grandson. He was arrested about an hour later after police stopped him in his pickup truck and noticed bloodstains on his clothes and hands. He was charged with two counts of second-degree murder and a count of first-degree murder.

Madam President, I would like to end this presentation with a quote from my wife, Sheila:

> We will not tolerate the violence, we will not ignore the violence, we will no longer say it is someone else's responsibility.

I urge all of my colleagues, and I have two great colleagues out here on the floor with me right now, the Senator from Oregon and the Chair, the Senator from Kansas, to work with the survivors, the advocates, the medical professionals, the justice system in our own States, and to support full community involvement in ending the violence.

I urge my colleagues, Democrats and Republicans alike, to work with passion and conviction to make this a priority for our work of the Senate. We must do everything we can to make homes the safest places that they can be. I yield the floor.

Mr. HATFIELD. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. LEVIN. Madam President, I ask unanimous consent that the order for the quorum call be rescinded and I be allowed to proceed in morning business for 8 minutes.

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

LOBBYING AND GIFT REFORM

Mr. LEVIN. Madam President, there has been a lot of talk on the House side this week about the bills they have passed as a part of their so-called Contract With America. I have my own views about many of those bills.

But today, I would like to talk about what was not included in the so-called contract. The contract does not include campaign finance reform legislation, it does not include lobbying disclosure legislation, and it does not include gift reform legislation. So, on the three biggest political reform issues facing the Congress today, the Contract With America is silent. The House of Representatives has been silent. We in the Senate have also been silent. We have done nothing to address these fundamental problems with the way business is done in Washington today.

We tried to bring these issues up in January, but we were told that that the new Republican leadership wanted some time, wanted a chance to govern. Action would come in a few months, we were told.

Well, we have waited more than 3 months, and there is no sign of any serious effort to enact lobbying and gift reform. No hearings have been scheduled, there have been no mark-ups, and no effort has been made to bring a bill to the Senate floor.

If anything, it appears that we have been moving in the wrong direction on political reform. Special interest seems to be more influential than ever. Every week, we read new stories about how special interest lobbyists have written bills, and have been invited into committee rooms to brief congressional staff about what those bills would do.

Reform of the Federal lobbying laws and of the congressional gift rules is too important to wait any longer. This should not be hard. My lobbying reform and gift reform bills each received 95 votes in the Senate in the last Congress.

It was only when the conference report got caught up in a last-minute filibuster that we were unable to finally pass lobbying registration reform and gift reform.

Our existing lobbying registration laws have been characterized by the Department of Justice as ineffective, inadequate, and unenforceable; they breed disrespect for the law because they are so widely ignored; they have been a sham and a shambles since they were first enacted almost 50 years ago. At a time when the American public is increasingly skeptical that their government really belongs to them, our lobbying registration laws have become a joke, leaving more professional lobbyists unregistered than registered.

My lobbying reform bill would ensure that we finally know who is paying how much to whom, to lobby what Federal agencies and congressional committees on what issues. This bill would close the loopholes in existing lobbying registration laws. It would cover all professional lobbyists, whether they are lawyers or non-lawyers, in-house or independent, whether they lobby Congress or the executive branch, and whether their clients are for-profit or non-profit. It would streamline reporting requirements and eliminate unnecessary paperwork. And it would provide, for the first time, effective administration and enforcement of disclosure requirements by an independent office.

The congressional gift rules are also fundamentally flawed. These rules currently permit Members and staff to accept unlimited meals from lobbyists or anybody else. They permit the acceptance of football tickets, baseball tickets, opera tickets, and theater tickets. They permit Members and staff to travel to predominantly recreational events, such as charitable golf and tennis tournaments, which are paid for by special interest groups. To the public, these rules reinforce an image of a Congress more closely tied to the special interests than to the public interest. That is not good for the Congress and it is not good for the country.

Our bill would address this problem as well. Under our bill, lobbyists would be prohibited from providing meals, entertainment, travel, or virtually anything else of value to Members of Congress and congressional staff. Acceptance of gifts from others would also be restricted significantly. To give just one example, my bill would prohibit private interests from paying for recreational expenses, such as greens fees, for Members of Congress, whether in Washington or in the course of travel outside Washington. In fact, private interests would be prohibited from paying for congressional travel to any event, the activities of which are substantially recreational in nature. If my bill passes, recreational activities paid for by interest groups will be a thing of the past.

The enactment of our bill would fundamentally change the way business is conducted on Capitol Hill. It would get rid of the gifts, and it would bring lobbying out in the open. If we are serious about changing the way government works, we will enact this legislation, and do it soon.

I thank the Chair and yield the floor.

Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

EMERGENCY SUPPLEMENTAL APPROPRIATIONS ACT

The Senate continued with the consideration of the bill.

The PRESIDING OFFICER. Without objection, the pending amendment is set aside.

AMENDMENT NO. 569 TO AMENDMENT NO. 420

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

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Washington [Mr. GORTON] proposes an amendment numbered 569 to amendment No. 420.

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

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

The amendment is as follows:

On page 17 of amendment 420, strike lines 14 through 17.

Mr. GORTON. Mr. President, this is the first of a series of five minor amendments to the Interior section of this rescission bill which had been worked out in each case with all of the affected parties, including the chairman and ranking minority members of authorizing committees where they include authorizing language.

Their first amendment deletes a proposed $3 million rescission of funds available to the Fish and Wildlife Service in the Endangered Species Act, and it is placed at this point because such a rescission and certain set of restrictions proposed on the Defense supplemental by the distinguished junior Senator from Texas has now been accepted as a part of that conference committee.

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

The amendment (No. 569) was agreed to.

AMENDMENT NO. 570 TO AMENDMENT NO. 420

(Purpose: To allow grazing permits, that expired in 1994 and in 1995 before the date of enactment and were not replaced due to NEPA requirements, to be reinstated or extended)

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

The PRESIDING OFFICER. Without objection, the pending amendment will be set aside, and the clerk will report.

The assistant legislative clerk read as follows:

The Senator from Washington [Mr. GORTON] proposes an amendment numbered 570 to amendment No. 420.

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

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

The amendment is as follows:

On page 26, after line 2, insert the following: ''This section shall only apply to permits that were not extended or replaced with a new term grazing permit solely because the analysis required by the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et

seq.) and other applicable laws has not been completed and also shall include permits that expired in 1994 and in 1995 before the date of enactment of this Act.''

Mr. GORTON. Mr. President, this amendment makes a correction in an amendment earlier adopted by the body on the part of the distinguished Senator from South Dakota [Mr. PRESSLER]. A confusion between himself and myself left out a couple of very important words. This makes that correction.

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

The amendment (No. 570) was agreed to.

AMENDMENT NO. 571 TO AMENDMENT NO. 420

(Purpose: A technical correction to clarify that funds proposed for rescission are from multiple prior year unobligated balances)

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

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Washington [Mr. GORTON] proposes an amendment numbered 571 to amendment No. 420.

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

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

The amendment is as follows:

On page 23, strike lines 17–18 and insert in lieu thereof the following: ''Of the available balances under this heading, $3,000,000 are rescinded.''

Mr. GORTON. Mr. President, this is a technical correction to a rescission with respect to the Kennedy Center here in Washington, DC. It does not affect the rescission. But it makes its meaning clear.

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

The amendment (No. 571) was agreed to.

AMENDMENT NO. 572 TO AMENDMENT NO. 420

(Purpose: To rescind $150,000 of the appropriation for the Office of Aircraft Service of the Department of the Interior)

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

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Washington [Mr. GORTON] for Mr. MURKOWSKI, proposes an amendment numbered 572 to amendment No. 420.

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

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

The amendment is as follows:

On page 20, between lines 13 and 14, insert the following:

DEPARTMENTAL OFFICES

OFFICE OF THE SECRETARY

OFFICE OF THE SECRETARY

SALARIES AND EXPENSES

(RESCISSION)

Of the funds made available under this heading in Public Law 103–332 for the Office of Aircraft Services, $150,000 of the amount available for administrative costs are rescinded, and in expending other amounts made available, the Director of the Office of Aircraft Services shall, to the extent practicable, provide aircraft services through contracting.

Mr. GORTON. Mr. President, this amendment is offered on behalf of the junior Senator from Alaska, [Mr. MURKOWSKI]. It rescinds $150,000 in administrative funds for the Office of Aircraft Services, and is at the request of the Senator from Alaska. It is a rescission in Alaska.

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

The amendment (No. 572) was agreed to.

AMENDMENT NO. 573 TO AMENDMENT NO. 420

(Purpose: To amend the Supplemental Appropriations and Rescissions Bill for the fiscal year ending September 1995)

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

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Washington [Mr. GORTON], for Mr. STEVENS, proposes an amendment numbered 573 to amendment No. 420.

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

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

The amendment is as follows:

On Page 81, after Line 18, add a new section as follows:

SEC. . (a) As provided in subsection (b), and Environmental Impact Statement prepared pursuant to the National Environmental Policy Act or a subsistence evaluation prepared pursuant to the Alaska National Interest Lands Conservation Act for a timber sale or offering to one party shall be deemed sufficient if the Forest Service sells the timber to an alternate buyer. (b.) The provision of this section shall apply to the timber specified in the Final Supplement to 1981–86 and 1986–90 Operating Period EIS (''1989 SEIS''), November, 1989; in the North and East Kuiu Final Environmental Impact Statement, January 1993; in the Southeast Chicagof Project Area Final Environmental Impact Statement, September 1992; and in the Kelp Bay Environmental Impact Statement, February 1992, and supplemental evaluations related thereto.

Mr. GORTON. Mr. President, this is an amendment in behalf of the senior Senator from Alaska, [Mr. STEVENS], and it has to do with legislative language relating to environmental impact statements. It is one that has been OK'd by both sides on the Energy Committee, as it does include authorizing legislation.

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

The amendment (No. 573) was agreed to.

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

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

The motion to lay on the table was agreed to.

Mr. GORTON. Mr. President, I thank you. I thank the Senator from New York.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

VISIT TO THE SENATE BY THE PRIME MINISTER OF THE ISLAMIC REPUBLIC OF PAKISTAN, BENAZIR BHUTTO

Mr. HELMS. Mr. President, the Senate Foreign Relations Committee has the honor of welcoming the distinguished Prime Minister of the Islamic Republic of Pakistan, and I wish to bring her to the Senate floor.

RECESS

Mr. HELMS. Mr. President, I ask unanimous consent that it be in order for the Senate to have 5 minutes in recess to greet and welcome this distinguished lady.

There being no objection, the Senate, at 4:08 p.m., recessed until 4:12 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. COATS).

The PRESIDING OFFICER. The Senator from North Carolina.

Mr. HELMS. 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. HELMS. 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. HELMS. Mr. President, I would ask the distinguished Presiding Officer if my understanding is correct that we are in a period when amendments can be offered, although several amendments—I do not know how many—have been set aside for this purpose; is that correct?

The PRESIDING OFFICER. That is correct. Although it does take unanimous consent to set aside the pending

amendments before additional business can be ordered.

Mr. HELMS. Mr. President, I ask unanimous consent that all the amendments necessary be set aside.

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

Mr. HELMS. Mr. President, I have a bit of a dilemma. I have been in Foreign Relations Committee meetings and other things most of the day. I am not aware of precisely what has happened on one issue which is of great interest to me and which I consider to be an outrageous invasion of the taxpayers money. It involves the 1995 appropriations bill containing $30 million that would be spent to build housing for Russian military officers.

My understanding is that there may have been some action to delete part of that $30 million. I will speak my opinion about this and then I will consult with the chairman of the Appropriations Committee, who is now on the floor, about whether my understanding is correct.

This program was begun, as I recall, in 1993 by President Clinton. In my judgment, it is a perfect example of how the United States conceives a bad foreign aid giveaway program, shrouds it in doubletalk to protect it, and then scrambles to spend the money when elected officials in Congress raise questions about it.

In April 1993, President Clinton met at a summit with Russian President Boris Yeltsin in Vancouver. At that time, Mr. Clinton proposed that the United States would pay—meaning the taxpayers of the United States would pay—to construct housing in Russia so that Russian troops occupying the Baltic States could be withdrawn to Russia.

Now, let me drag that by one more time—going to spend American taxpayers' money to build housing for Russian soldiers so Russian soldiers can go home.

The Clinton administration suggested this, as I understand it, on the grounds that no housing existed in Russia for these soldiers.

There is at least one problem with that logic. Instead of building housing in Russia, the United States is now giving Russian soldiers $25,000 apiece to go out and purchase an existing unoccupied house. Now I am in favor of home ownership and I wish the Clinton administration would support more home ownership right here in America. But this program, Mr. President, is absolutely outrageous.

In fact, what the administration is saying is that it is not a housing shortage that the Russian military has; it is a cash shortage. I think that question is going to be of great interest to a lot of America's taxpayers.

Well, the U.S. Government, as a matter of fact, come to think of it, has a cash shortage. The Federal debt, as of yesterday afternoon closing time, was over 4.8 trillion bucks. Everybody knows about the budget deficit. We have talked and talked and talked about it for years. Finally, when something is being done about it, you hear all the weeping and wailing and gnashing of teeth—''But you can't do that to this one or you are doing this to that one,'' and so forth.

So I want to see these political figures go home and try to explain their votes against cutting the Federal deficit.

The administration itself is struggling to fund a request for 77,000 new and improved housing units for American soldiers and their families. They do not have the money for it, but they are struggling to find it. But they have already found it for the Russian soldiers. The conditions in which many of the men and women who serve in the U.S. services—the Army, Navy, Marines, and all the rest—are required to live are circumstances that are an embarrassment. And yet we have money for $25,000 apiece for Russian soldiers for housing.

Finally, the question absolutely must be asked: why does the Russian military have a shortage of money? The answer is no further away than the evening news in various places where the Russians are still participating in mayhem.

This program to build housing for Russian soldiers is not essential and it did not get the Russian military out of the Baltic States. This program is nothing but a golden parachute for the Russian military—not the United States military.

Mr. President, while the United States plays real estate agent to the Russian military, they have time and resources to fight in other places they ought not to be fighting.

Let me ask the distinguished chairman of the Appropriations Committee if any action on this outrageous allocation of money has been taken since I last heard.

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

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

The Senator from Oregon is recognized.

Mr. HATFIELD. Mr. President, I would like to respond to the Senator from North Carolina in terms of the ''provision in this bill,'' the conference report on H.R. 889, that is, the bill on military defense appropriations that we conferenced yesterday, and we are now about to face that conference report, it having passed the House.

A number of years ago when, I believe, President Bush was still President and made a trip to the Baltics, he found that even though the Soviet Union had ceased to exist in reality, that the Baltic Governments that had emerged out of that former Iron Curtain power base of the Soviet Union, that those occupation troops, particularly the officers within the occupation of the Baltics, were not going back to Russia, were not returning home. They were remaining in the Baltics. They were wearing their uniforms, and that gave the new Baltic Governments great concern as to the intentions, and what have you.

Upon a careful analysis, they found that the Russians were not returning home because they had no housing to return to. The housing market had just been totally demolished over the years, and they found better housing in the Baltics.

So in the first initial step, we had what was called a demonstration project, I suppose, a figure of about $6 million—I am recalling now, not precisely—but a single-digit figure was appropriated as a demonstration project to help the Russians produce housing, not just for those officers still in the Baltics but also to start a housing industry in that country that had had no housing policy to speak of.

Then following that, there was a commitment made, and that now carries over into the Clinton administration, within the Baltic reaches that after there is that skill that comes out of that demonstration project we had to find an incentive to get these Russian officers out.

So a voucher system was provided, $25,000 voucher value for housing in Russia. That has then proceeded to, as we know now, there being no officers left in uniform. Some have decided to make the Baltics their home, have taken off the uniform and are rooting in as citizens, not as officers.

There were a lot of questions raised about this whole policy to begin with but, nevertheless, it was felt to be a sound policy to pursue to assist our new government friends in the Baltics.

We had, in effect, a drawdown from a $100 million appropriation to what we thought was about $75 million unobligated funds in the pipeline. These figures are difficult, and we are not certain of these figures. We cannot precisely identify the total number, but we think it is around $75 million.

The House had rescinded all $75 million in their bill. We, on the Senate side, rescinded none. We kept whatever that figure—75—in the bill.

Mr. HELMS. That is what got my attention.

Mr. HATFIELD. Yes. Now when we went to conference, we engaged in a lot of discussion, a lot of debate, and then the questions were raised as to what is the precise figure in that budget. We have the State Department, we have other sources, that have yet to give what we consider satisfactory figures so that we can say exactly how much.

So the House made a proposal to the Senate that we reallocate $15 million out of the $75 million; leave, in a sense, a total of $60 million to be revisited at

a time when we can get that exact figure, which would probably be in the 1996 cycle, assuming this report passes now as a rescission package. Other discussions might be engendered out of the Foreign Relations Committee. We are not wedded on the basis of that program to say that is in place to last into the indefinite future.

Mr. HELMS. I hope it has no future.

Mr. HATFIELD. Because of the question of not only appropriations under the circumstance of today, but the policy issue itself.

All I can say, as the chairman of the Appropriations Committee, we are doing the minimal of what we can legitimately do and maintain commitments that are in process or already made, until we can get a more exact total figure of unobligated funds.

Mr. HELMS. But the Senator will not presume to permit any further commitments. Is that correct?

Mr. HATFIELD. We have no basis upon which at this time to make a statement to the future of this program, because every program today is under such careful review and scrutiny in terms of our budget deficit, in terms of our priorities. Obviously, these rescissions are only to reflect upon the current fiscal year anyway.

Mr. HELMS. I am not being critical of the Senator. I would hate to have his job as chairman of the Appropriations Committee.

It seems to me we have $60 million somewhere in limbo—it might be in the pipeline, it may have been committed without our knowing. There are so many ambiguities about it. How can we tie it up so there will be no commitment beyond what has already been made?

Mr. HATFIELD. Well, I think that the situation is such that when the House rescinded the total figure of unobligated funds, it sent a very, very strong message to the agencies themselves. I suppose it should send a message to the authorizing committee as well, which the Senator from North Carolina chairs.

We have a whole foreign aid bill under constant review. Nothing is a commitment very far down the road.

We are dealing with the problem right now in this appropriation bill report that is pending as to how to delineate between the Department of Defense pursuing and executing a humanitarian program as a police action program and as it relates to the defense of this Nation. In other words, there are those who say we should not be charging, in offsets, any of these incursions into Haiti, et cetera, et cetera, back to the DOD appropriations budget.

So we are engaged in a lot of issues here that are pretty cloudy at this moment. I do not think any part of this can be a statement of future commitment at all.

Mr. HELMS. Let me ask, if I may, will we have somebody on the Appropriations Committee staff try to explain to me specifically where the $60 million is, because I do not want to leave this unvisited before we pass this bill. Can somebody answer that?

Mr. HATFIELD. We can certainly do that. We have very excellent staff that can be supportive of your questions and responsive to your questions.

Let me just say in summary, we have no precise figures at this moment. We are dependent upon a couple of agencies from the executive branch of government to provide such figures. We do not keep the books in that sense. We are now at a level of commitment in this report that we feel will be sufficient to cover any current commitments, obligations, or pipeline. Until we can get that precise figure we cannot answer that part of your question.

I can answer your question in the sense, does this have any kind of a base of commitment for 1996, or 1997, and I could say on that, ''No, it makes no basic commitment for 1996.'' We will review 1996 in a totally different context.

Mr. HELMS. So, the Foreign Relations Committee, I assure the Senate——

Mr. HATFIELD. I want to make sure, as the chairman of the Appropriations Committee, that the Senator understands we are not trying to make policy in our committee when the policy committee that he chairs is in that position.

Mr. HELMS. The strongest policy part of any legislation are the dollars. That is what really counts.

I am not saying anything that the Senator does not know or believe himself.

I thank the Chair.

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. HATFIELD. I ask unanimous consent that the order for the quorum call be rescinded.

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

Mr. HATFIELD. Mr. President, I ask for the regular order.

The PRESIDING OFFICER. The regular order is the Murkowski-D'Amato amendment to the D'AMATO amendment No. 427.

Mr. HATFIELD. I thank the Chair.

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. HOLLINGS. 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. HOLLINGS. Mr. President, I ask unanimous consent that the pending amendment be set aside so I can send an amendment to the desk.

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

AMENDMENT NO. 574 TO AMENDMENT NO. 420

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

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from South Carolina [Mr. HOLLINGS], for himself, Mr. THURMOND, Mr. BINGAMAN, Mr. BREAUX, Mr. GLENN, Mr. GRAHAM, Mr. LEAHY, Mr. LEVIN, Mr. KOHL, Mr. LIEBERMAN, Mr. KENNEDY, Mr. KERRY, Mrs. MURRAY, Mr. PELL, Mr. ROCKEFELLER, and Mr. SARBANES, proposes an amendment numbered 574 to amendment No. 420.

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

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

The amendment is as follows:

On page 9 of the substitute amendment, strike line 1 through line 23 and insert the following:

INDUSTRIAL TECHNOLOGY SERVICES

(RESCISSION)

Of the funds made available under this heading in Public Law 103–317, $3,100,000 are rescinded.

CONSTRUCTION OF RESEARCH FACILITIES

(RESCISSION)

Of the unobligated balances available under this heading, $30,000,000 are rescinded.

NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION OPERATIONS, RESEARCH AND FACILITIES

(RESCISSION)

Of the funds made available under this heading in Public Law 103–317, $25,100,000 are rescinded.

CONSTRUCTION

(RESCISSION)

Of the funds made available under this heading in Public Law 103–317, $13,000,000 are rescinded.

GOES SATELLITE CONTINGENCY FUND

(RESCISSION)

Of the unobligated balances available under this heading, $2,5000,000 are rescinded.

Mr. HOLLINGS. Mr. President, this goes to the heart of our work in the Appropriations Subcommittee of State, Justice, and Commerce whereby we want to support the overall amount of the rescission but to redirect it to less important financial requirements at this particular time. In other words, my amendment would restore current programs that have been found very effective for the NOAA coastal oceans program, $7 million to the NOAA climate and global change research, $1.5 million to the Under Secretary for Technology, and $24 million to the NIST manufacturing extension program for a total of $37.5 million in total restoration.

Those restorations are offset by $30 million from the unobligated balances in the NIST construction, $5 million in the unobligated balances in the NOAA construction, and $2.5 million in the unobligated balances of the NOAA contingency fund.

All of those construction funds and everything else are to be set aside not to be expended this year. Of course, the distinguished Senator from Texas,

chairman of our subcommittee, and I are just now completing our series of hearings for next year's appropriations. So we are not turning away in any context our dedication to the various requested construction commitments. But, in a word, what we are saying is let us not go for office buildings but rather for building jobs.

Let me go right to the heart of the connection between this amendment and the so-called Contract With America, which I welcome because this is a good tonic to come to town and stir everybody up and get us moving. Many elements of the contract are things that I have worked upon—the unfunded mandates, the balanced budget amendment to the Constitution, which I voted for already three times. I did not vote for it this time because I did not want to repeal my own law that puts Social Security off budget.

On that matter, I do not believe that we should just move deficits. Rather, let us eliminate deficits. I did not want to move the Government's deficit from the general Government over to Social Security. So when we were debating the balanced budget amendment, all they had to do is exempt the Social Security funds instead of repealing my section 13301 which says ''Thou shall not use Social Security funds'' in the estimates of the deficit and the debt. That was put in by Senator Heinz and myself back in 1990 and signed into law by President Bush.

With respect to the other parts of the contract, the line-item veto, is actually my bill, which was a compromise between the two rescissions initiatives by Senator MCCAIN and Senator DOMENICI.

So there is much with which we can agree. But I thought in coming to town here at this particular session in January that our purpose was to pay the bill, and create jobs—not to adopt a contract which does not in itself create a single job or pay a single bill. It has more to do with symbols than substance, more with procedures than actual production. Now we have an amendment before the body which actually produces jobs.

I am convinced, after the hearing we had this morning, that we will get a most sympathetic hearing from our distinguished chairman of the subcommittee, Senator GRAMM of Texas, because the two big elements of misgiving that I have heard expressed about the NIST programs of the Advanced Technology Program and the Manufacturing Centers is on the one hand, that this was industrial policy, Government picking winners and losers, and on the other hand, that this was pork, political pork. Let me address the first particular problem.

Of course, we make all kinds of industrial policies. This morning, with respect to product liability, we told industry just exactly what it can expect—less care in the manufacturing. Currently, we have the highest degree of care in the United States of America in its manufacturing. But what we did was put in all kinds of gimmicks and hurdles that hamstring the individuals right to a trial by jury and thereby significantly affects industry. But we will not go any further into that.

But we get industrial policy when we recommend a minimum wage, when we come forward and say we are going to have parental leave, when we say we are going to have to have plant closing notice, safe machinery, safer working place, Social Security, unemployment compensation, Medicare, Medicaid. You can go right on down the list. When we in a bipartisan fashion, which is the record, adopt those measures, we get into industrial policy. There has been a fetish around town amongst the pollsters putting out their pap about industrial policy, saying ''let the market choose the winners and losers rather than the bureaucrats and politicians in Washington.'' I agree with that.

But, while we make industrial policy all the time, my amendment supports an industrial policy chosen by industry. We ensure sound industrial choice by requiring the industry to come with 50 percent of the money at least in their pocket and also to go through a peer review system of the National Academy of Engineering and the overall Government peer review choice. That was brought out in specific by Mary Lou Good, Dr. Good, the undersecretary in charge of technology, a real expert; had been in charge of their research and development over the years and just had a perfect speaking knowledge about the various things to guard against and make sure it was the industry and not the politician choosing the winner and loser, so to speak.

And otherwise, we carefully designed the peer review to make sure that the Senator could not call and get a manufacturing center, the Secretary of Commerce could not call and get one, nor could the President, nor the White House minions call over and say, ''We want it.'' In fact, our absolute track record with this program under every administration has been one of just exactly that, of unbiased peer review.

I can tell you categorically we did have a little hesitation in the markup of our bill over the past few years because the distinguished chairman on the House side wanted one of these but we never would write it in. We said we are not breaking ranks and starting with these markups on bills and inserting anything like Lawrence Welk's home as one of these manufacturing centers.

Otherwise, consider the matter of pork. I must refer to the distinguished former Senator from Wyoming, Senator Wallop. He pointed out in reading an article year before last, or April 2 years ago, how the chairman of the Democratic Party had gone to the West Coast under the Clinton administration. He said, ''Look here.'' I read the article. The chairman of the party is saying categorically the end all and be all of Presidential—and I know the Senator from Mississippi is interested in Presidential elections. The end all and be all of Presidential elections is California. And, according to this article, this administration was going to send out Ron Brown, the Secretary of Commerce, and he was going to pour the projects to the State of California and we were really going to get on the move over here for our party.

Well, that there just tackled me from behind because it was not true at all. The Secretary of Commerce could not do it. But it was a tremendous misgiving on the part of Senator Wallop and others on the other side of the aisle, even though 14 Republican Senators and a task force for reconversion had gone on and endorsed this particular program. It took us several days, what we had previously passed almost by unanimous consent took us several days to pass, and then with an overwhelming majority we passed the authorization.

So I had to answer up to that matter of pork and make sure that everyone knew that this was as well administered a governmental program on the basis of merit that we have ever had.

Another question arose then. The Senator from Texas says, now, ''what is the cutoff date?'' Well, that is a good question because you would think in the global competition, the answer could be given ''when is the cutoff date for Germany, for Japan, for Taiwan?'' And all our competition that has been investing way more than this. They just pour in the research and development, and we are trying to catch up, since we do not have long-term investments here in the United States—it is everything short term with the Wall Street market. It is tough, tough to get these little, small, fledgling industries going because they go to the market seeking credit, but if it takes more than two-, three-, four-quarters, over a year to get a good return, they can put the money elsewhere. This is a quick turnaround society in which we live. And the others go for the long range and can lose some in the short term. Specifically, the Japanese this past year, 1994, took over an additional 1.2 percent of the automobile market, losing, if you please, losing $2.5 billion. Of course, they made it back in the Tokyo market selling cars in Japan.

We do not have that kind of policy, and we do not want that kind of policy. And we are not going to have that kind of approach to our problems here. But to try to stay alive in the competition, we very wisely, with the support of the competitiveness council, and President Bush in his address to the joint session of the Congress, agreed to come forward and resolve the National Institute of Standards into the National Institute of Standards and Technology, and on a peer review merit basis to start meeting this kind of competition.

We had a very, very thorough hearing about it this morning, and these offsets are not really going to hurt anybody

and certainly they will not diminish further our effort with respect to jobs.

In the other rescission bill, we have already knocked $90 million off the advanced technology program. We cannot afford, on these research centers, manufacturing centers, to knock another $24 million off of this.

Specifically, in agriculture, when the question was asked, when is the cutoff date? Well, Roosevelt started it in 1933 with price supports and protective quotas, and we still have it. In fact, we have embellished it with advertising and export promotion. They got over $1 billion selling California raisins and almonds and California wines and all these other agricultural products. Here, for the poor fellow, working in industry, trying to hold his job, nothing but this babble of free-trade nonsense, whereby we are blaming America's labor for a flawed trade policy.

There is no question in my mind; we have the most competitive industry worker, the most productive industrial worker in the entire world, but we have a silly, really nonpolicy of running around and acting like we are still on foreign policy and we have to sacrifice on the kind of relation in the Pacific rim, we have to defend them and we have to continue to give them all our jobs.

I can talk at length, but I see others waiting. I do not want to go too long, but I wish my colleagues to understand its fullest importance. That is why I did not want to agree to a time limit right here at the initial part of this particular amendment. If we had, Senator, the same number of manufacturing jobs as we had 25 years ago, we would add 10 million manufacturing jobs.

What am I saying? I am saying that in 1970, 25 years ago, 10 percent of the consumption of manufactured products in the United States of America was represented in imports. Now, over 50 percent of the consumption of manufactured products is represented in imports. If we had gone back to the 90 percent that we had of U.S. manufacture of this country's consumption of manufactured products, we would immediately add 10 million jobs.

What does that mean? Some of my friends here have talked today about foreign policy. I would like to get to foreign policy. What does it mean? It means that if you cannot have a strong manufacturing sector, said Mr. Morita—former chairman of Sony—in a particular seminar we attended in Chicago years back, if you cannot have a strong manufacturing sector, you cannot be a nation state. And the country that loses its manufacturing power ceases to be a world power.

What we are learning already in the WTO, I say to the Senator from Mississippi. We thought we had a consensus on who would be the president of the WTO—like Mickey Kantor would come in and say we are going to have a consensus. Oh, we are in charge. Consensus. Consensus. We got together on a consensus with the Italian as the choice. In fact, the poor fellow now—I happen to like him. They say he is a protectionist. OK, that is common sense to me. We have a high standard of living. We have to protect it. But the gentleman from Italy they said was totally unacceptable. We could not have him. We tried to get the man, Salinas, down in Mexico, and he bombed out. And then we ended up with the Italian, who is now going to be the president of the WTO. The second choice was Korea, and we are sitting around with our so-called consensus.

On our most important choice to be made we have already been rolled with WTO. When you lose your economic power, you lose your influence in foreign policy. The foreign policy, Mr. President, of this land is like a three-legged stool. You have as one leg the values of the country; your second leg of military power; and your third leg of economic power.

That one leg of values as a nation is strong. We sacrifice to feed the hungry in Somalia and bring democracy to Haiti. No one questions it or our military power, the military leg. We are the superpower. But when it comes around to the economic leg, Mr. President, I can tell you, here and now, that leg over the last 40 years, 45 years, has been fractured due to the special relationship that we had to give. We had to rebuild the capitalist economy the world around in order to contain communism. And bless it, the Marshall plan has worked. We have no misgivings about it. But now, with the fall of the wall, we have an opportunity here to repair that economic leg for America.

And this one little initiative here out of all the other initiatives has been the bipartisan move toward production and manufacture and strengthening that economic leg. That is what this particular amendment does. It could not be considered, incidentally, in the subcommittee. We tried, but we could not get a hearing, as the ranking member. Our subcommittee report was read out without a single one Senator on this side of the aisle ever having heard of it.

I wanted to have a chance to repair that and say, ''Look, set aside construction funds, money just hanging around not to be used in this fiscal year. Why rescind ongoing programs that we have in the several States on a merit basis that is one of the finest that we have ever got to try to help?''

I will speak a little bit further. I see other Senators wanting to be recognized.

I have the list of the industries here with respect to what we call the Advanced Technology Coalition, representing 5 million U.S. workers, 3,500 electronic firms, 329,000 engineers, and 13,500 companies in the manufacturing sector. They have endorsed this particular program.

And it is really down to the minimal basis, not near what we give to NASA and all its research in space, not near what we have in agriculture, not near what we have in alternative energy and in nuclear endeavors. Here is a fledgling little $300 million program that we are trying to keep alive, and some, I think, unknowingly, have cut it, because over on the other side there is a gentleman—incidentally, from Pennsylvania—who says we ought to not only get rid of this but get rid of the entire Department of Commerce.

Mr. President, I yield the floor.

Mr. SPECTER addressed the Chair.

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. SPECTER. I thank the Chair.

Mr. President, I have sought recognition to comment briefly on the pending legislation. There appears to be some reason for optimism that we are in the final stages and will be completing action on this bill yet this evening.

As chairman of the Subcommittee on Labor, Health, Human Services, and Education, our subcommittee faced a very major rescission package, as sent over by the House of Representatives, amounting to some $5.9 billion. While the full appropriations package addressed the rescissions of the House—with somewhat different calculations because FEMA, the Federal Emergency Management Agency, was deferred. The committee was able to shift priorities, so that the rescissions in our Subcommittee on Labor, Health and Human Services, and Education was reduced to $3.05 billion.

We restored some $1 billion in cuts on education because it was our sense that the education funding should remain at as high a level as possible.

It is my own view, Mr. President, that education, as a national priority, is second to none. I come by that view from the experience with my own parents, both of whom were immigrants, who had very little education and therefore valued it very highly in our household. My father, Harry Specter, had no formal education. My mother, Lillie Specter, went only to the eighth grade when she quit school to help support her family on the tragic death of her father from a heart attack in his mid to late forties. But my brother, my two sisters and I have been the beneficiaries of the opportunity to share in the American dream with good educations. And that has been a point for which I have always worked hard to try to maintain the funding, supported by Senator HARKIN the ranking member of the subcommittee.

Senator HARKIN agreed with restoring these funds to education, and included in that was the restoration of funding of $371 million for drug-free schools. Mr. President, the drug problem in the school system is the intersection of education and violence. Funding for the program is supported by our subcommittee, supported by the full committee and supported, it appears, by the Senate. Perhaps even more money will be added back on drug-free schools which is a very, very high priority.

We also restored some $13 million for worker safety, for OSHA, where the funds had been cut. It is very, very important to have safety on the job.

Another key item was low-income home energy assistance for the elderly and poor. Principally, this vital program provides assistance for many Americans who earned less than $8,000 a year. For these low income or elderly without this important program it comes down to a choice, as the expression goes, between heating or eating.

The program also is very, very important, as a matter of safety. In a 3-month period in the city of Philadelphia, 11 people were killed, many of them children, in families which were using kerosene heaters because they did not have enough money for the regular fuel allotment. The committee has reinstated the program from the House cuts.

I think it is very important, Mr. President, to meet the target of balancing the budget by the year 2002, but I think it has to be done with a scalpel and not a meat ax. Traditionally, as the Founding Fathers articulated, the Senate is the saucer that cools the tea from the House of Representatives. The strength in our system is a bicameral legislature—that is a House of Representatives and a Senate—the models of most of the States in the United States, and it takes both of the Houses to work it out.

So I think we will come up in the Senate with a very sound bill. There have been negotiations, as has been announced on the floor, and it appears at this point that there will be add-backs on a number of the programs, which could, apparently, lead to less of a cut from the $3.05 billion.

But it appears that we will have had an appropriate allocation of resources and assessment of priorities and that we will take a good bill into conference. Hopefully, we can eliminate unnecessary expenses but, at the same time, retain the programs which are very important for America's safety net.

I thank the Chair and I yield the floor.

Mr. LOTT addressed the Chair.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. LOTT. Mr. President, on behalf of our leader, I would like to see if we could not get a time agreement now on the Hollings amendment. I understand Senator HOLLINGS has already had some time to speak and has indicated a willingness to enter into this agreement.

I ask unanimous consent that the time on the pending Hollings amendment be limited to the following: 20 minutes under the control of Senator HOLLINGS, 10 minutes under the control of Senator HATFIELD; I further ask that, following the conclusion or yielding back of the time, Senator DOLE or his designee be recognized to make a motion to table.

The PRESIDING OFFICER. Is there objection?

Mr. HOLLINGS. With no amendments to our amendment?

Mr. LOTT. That is fine. No amendment is mentioned here.

Mr. HOLLINGS. I thank the Senator.

The PRESIDING OFFICER. Without objection, so ordered.

Mr. AKAKA addressed the Chair.

The PRESIDING OFFICER. The Senator from Hawaii.

Mr. AKAKA. If it is in order, I would like to propose an amendment, Mr. President.

The PRESIDING OFFICER. Will the Senator suspend?

The Senate has just entered into a time agreement on the Hollings amendment.

Who yields time?

Mr. HOLLINGS. Can we temporarily set this aside so the Senator from Hawaii and the Senator from Pennsylvania could be recognized?

Mr. LOTT. Mr. President, the Senator from Hawaii has an amendment he would like to offer. Could I inquire of the Senator from Hawaii, is this an amendment that has been worked out?

Mr. AKAKA. It is an a amendment that has been agreed to on both sides. I have spoken with Chairman SPECTER and he agrees with this amendment.

By unanimous consent, I wanted to offer the amendment.

Mr. LOTT. How much time does the Senator expect to take?

Mr. AKAKA. I will take 2 minutes.

Mr. SPECTER. Mr. President, if my distinguished colleague from Hawaii would yield, I believe we will work that amendment through in the final package, so it would not be in order to offer it at this time.

But I understand the distinguished Senator from Hawaii would like to speak about it, which I think would be entirely appropriate to outline what we will accomplish. But structurally and procedurally, we will include that in the final managers' amendment, which will accommodate what the Senator from Hawaii wants to achieve.

Mr. President, while I have the floor, I had asked the distinguished assistant leader if Senator SANTORUM and I—and I cleared this with the Senator from South Carolina—might have 10 minutes for a brief presentation on a memorial to Jimmy Stewart in Indiana, PA, which will be coming up after the Senator from Hawaii finishes his remarks.

Mr. HOLLINGS. And without the time being allocated on our particular unanimous consent agreement.

Mr. LOTT. I am sure that would be fine. But after that, I know the leader would like for us to really begin to finish the debate on this amendment and other amendments that have been agreed to so we can begin to bring this to a conclusion.

But I believe we are going to have a couple minutes now for the Senator from Hawaii and then 10 minutes for the Senator from Pennsylvania.

The PRESIDING OFFICER. Would the Senator from Mississippi wish to propose a unanimous consent request for this?

Mr. LOTT. Mr. President, I so make that request to have 2 minutes for the distinguished Senator from Hawaii to discuss an amendment that will be the managers' amendment, and 10 minutes for the two Senators from Pennsylvania on a subject relating to Jimmy Stewart, I believe.

The PRESIDING OFFICER. Is there objection? Without objection, so ordered.

Mr. AKAKA addressed the Chair.

The PRESIDING OFFICER. The Senator from Hawaii.

DEMONSTRATION PARTNERSHIP PROGRAM

Mr. AKAKA. Mr. President, I thank the leadership, and I thank my friend, Chairman SPECTER, for including it in his manager's report.

I have an amendment, which will be in the chairman's report, and it would restore partial funding for the $7.9 million rescinded from the Demonstration Partnership Program. My hope is this amendment is agreeable and that it will receive the support of my colleagues.

The DPP, administered by the Office of Community Services in the Administration for Children and Families of the Department of Health and Human Services, has a highly successful record of employing innovative approaches to increase self-sufficiency for the poor.

The program provides grants to community action agencies and other eligible entities of the community services block grant. The objectives of the DPP are to develop tests and evaluate new approaches for overcoming poverty, as well as to disseminate project results and evaluation findings so that successful programs can be replicated elsewhere.

I also want to inform my colleagues that there is agreement to offsets for this $3 million, and there is agreement by the staff on both sides of the Appropriations Committee.

Therefore, Mr. President, I urge the adoption of my amendment and thank Chairman SPECTER for including it in his report. I yield back any time remaining.

Mr. SPECTER addressed the Chair.

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. SPECTER. Mr. President, rather than taking time now from the amendment of the distinguished Senator from South Carolina, Senator SANTORUM and I would like to amend the unanimous-consent agreement to take 10 minutes at the conclusion of the next vote.

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

Mr. SPECTER. I thank the Chair.

The PRESIDING OFFICER. Who yields time?

Mr. HOLLINGS. Mr. President, I yield myself sufficient time. The Senator from Connecticut, Senator LIEBERMAN, wanted to be heard. I ask unanimous consent that the Senator

from Virginia, Senator ROBB, be added as a cosponsor.

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

Mr. HOLLINGS. Mr. President, I think it is fundamental that we all understand that this movement with respect to the development of our technology came about at the same time that we were trying to get conversion programs in the Defense Department, including start-up funding for many of the extension centers in this particular program. In fact, we actually got as NIST Director Dr. Arati Prabhakar, one of the top managers who had worked with Craig Fields over at DARPA, and NIST is now taking over the funding of 37 DOD-started extension centers that help small firms that are no less attuned to civilian purposes rather than to military purposes.

If this little amendment is knocked out, and some $25.6 million, is rescinded, as originally proposed in the bill, then what you have left is only $65 million to support a total of 44 centers, plus any new centers for other States. There is a cutoff period of 6 years also in this program that I forgot to emphasize. These centers come up with at least 50 percent of the cost to begin with and over the years we have an ever diminishing amount by the Feds and an ever increasing amount by the sponsoring State along with the industry. They take over these extension centers.

By way of comparison, it should be shown that this past year, where we had some $91 million in these centers and now, if we lose $25 million, we would end up with only $65 million. You can compare that to the $439 million budget this year of extension program of the U.S. Department of Agriculture, a figure that does include research or the cooperative education programs; to NASA with an aeronautical research and assistance budget of $882 million; and the Department of Energy, where there is another $3.315 billion for civilian energy research. And what we have is a very restricted program, run on a peer-review basis, of $91 million. We are trying to restore the proposed cut by using unobligated balances within the same NIST budget.

I also emphasize at this particular time, Mr. President, before yielding as much time as is necessary to the Senator from Connecticut, that I would like to read just one sentence from the 1992 Senate Republican defense conversion task force. This was a very outstanding group of some 14 Republican Senators, including the Senator from Kansas, now the majority leader, and many others here, without reading out their names. I read the language:

> The task force endorses two programs of the National Institute of Standards and Technology as important to the effort to promote technology transfer to allow defense industries to convert to civilian activities. These programs are the Manufactured Technology Program and the Advanced Technology Program.

That is exactly what we have been doing. This has been bipartisan from the very beginning. It has worked very well. There is no pork and there is no industrial policy with the Government picking winners and losers.

I yield as much time as he needs to the distinguished Senator from Connecticut. I do appreciate his support.

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. LIEBERMAN. Mr. President, the state of manufacturing in this country is mixed. On the one hand our manufacturing productivity is increasing, but on the other hand we are losing manufacturing jobs by the millions. Manufacturing which once was the life blood of our economy is bleeding jobs overseas. We need to provide the infrastructure that insures that manufacturing flourishes.

Some kinds of manufacturing have been experiencing a resurgence in the last decade. This resurgence has been dominated by big business, not by small and mid-sized businesses. I am worried about the 381,000 manufacturing companies of less than 500 workers, representing nearly 12 million employees. Taken as a group, these small and mid-sized manufacturers are the source of the largest number of new manufacturing jobs, and, they represent real growth for our economy. Perhaps most importantly, small and mid-sized manufacturers have become the foundation of our manufacturing industry.

Larger manufacturers are no longer self-sufficient. Outsourcing is more and more often the most efficient and competitive way to manufacture. Take the example of a Chrysler car. Typically 70 percent of the final product is manufactured by Chrysler itself, the rest is manufactured by a myriad of smaller suppliers. This web of smaller manufacturers have become the core of the manufacturing industry. When U.S. small manufacturers thrive, our manufacturing industry as a whole thrives, and our economy thrives. If our smaller suppliers are not competitive, they compromise the quality of the final product, or more realistically, they lose out to more qualified suppliers abroad. We have to decide how, as a nation, we are going to build our manufacturing infrastructure so that we do not lose these jobs and this potential for economic growth.

As I look at our manufacturing competitors, I am struck by how little we do to support this critical component of our economy. American big manufacturers have had the resources to undergo something of a long and painful rebirth. They have learned from their competitors how to modernize their manufacturing processes as well as their products. At one time, it was sufficient to provide new products in a wide variety. Then as more companies had products, being the company with the best price was the order winner. Then, all competitive companies had low prices, and the company with the highest quality products started winning the orders. Now, a company must supply high quality, low cost products, in a wide variety and deliver it exactly when the customer needs it. These demands are tremendous challenges for manufacturing, and unless you have state-of-the-art manufacturing practices, you cannot compete.

In the United States we are used to being the leaders in technologies of all kinds. Historically, English words have crept into foreign languages, because we were the inventors of new scientific concepts, technology, and products. Now when you describe the state-of-the-art manufacturing practices you use words like ''kanban'' (pronounced kahn' bahn) and ''pokaoke'' (pronounced po kai oke'). These are Japanese words that are known to production workers all over the United States. Kanban is a word which describes an efficient method of inventory management, and pokaoke is a method of making part of a production process immune from error or mistake proof thereby increasing the quality of the end product. We have learned these techniques from the Japanese, in order to compete with them.

In a global economy, there is no choice, a company must become state-of-the-art or it will go under. We must recognize that our policies must change with the marketplace and adapt our manufacturing strategy to compete in this new global marketplace. The Manufacturing Extension Program [MEP] is a big step forward in reforming the role of government in manufacturing. This forward looking program was begun under President Reagan, and has received growing support from Congress since 1989.

The focus of the MEP is one that historically has been accepted as a proper role of government: education. The MEP strives to educate small and mid-sized manufacturers in the best practices that are available for their manufacturing processes. With the MEP we have the opportunity to play a constructive role in keeping our companies competitive in a fiercely competitive, rapidly changing field. When manufacturing practices change so rapidly, it is the small and mid-sized companies that suffer. They cannot afford to invest the necessary time and capital to explore all new trends to determine which practices to adopt and then to train their workers, invest in new equipment, and restructure their factories to accommodate the changes. The MEPs act as a library of manufacturing practices, staying current on the latest innovations, and educating companies on how to get the best results. At the heart of the MEP is a team of teachers, engineers and experts with strong private sector experience ready to reach small firms and their workers about the latest manufacturing advances.

Another benefit of the MEP is that it brings its clients into contact with other manufacturers, universities, national labs and any other institutions

where they might find solutions to their problems. Facilitating these contacts incorporates small manufacturers into a manufacturing network, and this networking among manufacturers is a powerful competitive advantage. With close connections, suppliers begin working with customers at early stages of design and engineering. When suppliers and customers work together on product design, suppliers can provide the input that makes manufacturing more efficient, customers can communicate their specifications and timetables more effectively, and long term productive relationships are forged. These supplier/customer networks are common practice in other countries, and lead to more efficient and therefore more competitive, design and production practices.

The MEP is our important tool in keeping our small manufacturers competitive. We are staying competitive in markets that have become hotbeds of global competition, and we are beginning to capture some new markets. More importantly, companies that have made use of MEP are generating new jobs rather than laying off workers or moving jobs overseas. These companies are growing and contributing to real growth in the U.S. economy. For each Federal dollar invested in a small or midsized manufacturer through the MEP, there has been $8 of economic growth. This is a program that is paying for itself by growing our economy.

Let me share with you some examples of success stories from the MEP. When the Boeing Co. told Manufacturing Development Inc. or, MDI, it needed to meet Boeing's stringent D1–9000 quality standards, or risk losing Boeing's business, MDI Vice President Michael Castor knew the company needed help. The 30-person sheet metal fabricator located in Cheney, KS, depended on its work with Boeing, its largest customer. The company called the Mid-America Manufacturing Technology Center, an extension center in Kansas, which provided MDI employees on-site training in statistical process control and helped MDI secure a State job training grant that paid for half of the training costs. MDI not only received certification by Boeing and retained its largest customer, but it also estimates that it will achieve a 50 percent reduction in scrap, reduce rework by 25 percent, and realize an annual savings of $132,000.

Another example is HJE Co. Inc., a 4-person manufacturer of gas atomization systems in Watervliet, NY. HJE produces ultrafine metal powders from molten metal. These powders are used, for example, in solder and braze pastes and dental alloys. When Joe Strauss, founder of HJE, first came to the New York MEP he had lots of good ideas and some sketches and rough drawings. The New York MEP helped him turn those ideas into blueprints of manufacturable parts, and helped him find machine shops to make the parts. Strauss spent 6 months getting assistance and learning how to become a world class manufacturer. After learning to use them with the help of the MEP, Strauss eventually purchased his own computer-aided design and manufacturing equipment and software. Now HJE is one of only four companies of its kind in the world and the only one in the United States. Joe is now used as a materials expert for others who seek help from the New York MEP. HJE, by the way, is expanding and moving into new areas in manufacturing.

These are just a couple of examples. There are many others.

Each MEP is funded after a competitive selection process, and currently there are 44 Manufacturing Technology Centers in 32 States. One requirement for the centers is that the States supply matching funds, ensuring that centers are going where there is a locally supported need.

The appropriated funds for fiscal year 1995 would allow the Commerce Department to fund over 30 more centers, to further cover manufacturing areas in the country. The funds are required to grow the program and reach the States that still need them. Not only are the appropriated funds needed to grow the program, but to maintain the centers that were once covered by DOD funds. Historically, the DOD has covered the cost of some manufacturing extension centers because of its vested interest in maintaining a strong defense manufacturing base. DOD funding of the MEP has been a casualty of the defense cuts as defense dollars become tighter.

In conclusion, I urge my colleagues to support the Manufacturing Extension Program. The MEP provides the arsenal of equipment, training, and expertise that our small and mid-sized manufacturers need to keep them in the new global economic battlefield. The investment is in our future economic health, in high wage jobs for our workers, in the American dream. Investment in the education of our small and mid-sized manufacturers is investment in our future.

Mr. LOTT addressed the Chair.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. LOTT. First, I would like to remind everybody what is the base bill here. This started out being a bill that was going to pay for disaster aid that is needed for California and perhaps in other areas.

It also has rescissions. These are reductions in spending from this year's fiscal budgets throughout the Government to try to reduce the deficit, try to pay for the disaster aid, and to try to begin to move toward controlling our rate of growth. That is the basic premise that we are starting from here.

When we have all these amendments—although some of them are very justifiable, good, small amounts of money, they just keep growing. For a week now, I have seen lists floating around here with add-backs here, add-backs there, many of which I like. When we check into it, usually it is an add-back on top of a very large program already.

Second, this amendment, I understand, has four components, at least part of which there is support for, and an agreement could probably have been worked out to support it.

I understand that Senator GRAMM from Texas, chairman of the State, Justice and Commerce Subcommittee of the Appropriations Committee, had indicated he could go along with some of these. But it adds back money in these areas: $26.5 million in the manufacturing extension partnership program; adds back $1.5 million from salaries and expenses of the Commerce Department's Technology Administration; it adds back funding of $5 million in funding for NOAA coastal ocean program; and it adds back $14 million in the climate and global change research area.

Some of those sound pretty good, but in each case it is an add-back on top of money that was already there.

The central issue here is the funding for the manufacturing and extension partnership program and the fact that it has been growing so rapidly. Funding for this unauthorized program increased dramatically over the past few years. For instance, this program did not exist until fiscal year 1991. In that year, the funding was $11.9 million; then it went to $15.1 million; and then $16.9 million; then $30.3 million; in this fiscal year it jumped to $90.6 million. Even with the rescission or the cuts proposed in this bill, we still would have had a doubling of the program. The Senator noted that there is still $67 million, I believe, that would be left. It is projected this program would go up to $146.6 and keep going up.

This is a new program that has grown like top seed. Maybe the plan is over the years to bring it down and maybe bring in private-sector funding. That is all well and good. The fact of the matter is it has been doubling and tripling in recent years. That is why on this side, on behalf of the chairman of the subcommittee and the chairman of the committee, our urging to the Members is that they vote to table this amendment, because if we do not do it here, there will be another one that will add money, and another one will add money, and we think we have to control the rate of growth and not start a long process that will add back additional spending to this bill. I yield the floor.

I reserve the remainder of my time.

Mr. HOLLINGS. Mr. President, right to the point. We are not adding back $26 million of the $24 million, and we are not adding back $14 million, but $7 million on the climate and global change research. I want to correct those figures.

I wanted also to include, Mr. President, the point made that it does restore not only the manufacturing extension but the NOAA coastal ocean program, the NOAA climate and global

change program and the Undersecretary for Technology Office, and it shows the United States-Israel Bilateral Science and Technology Agreement continues.

Right to the point about growing: We transferred from the Department of Defense at the request of the Republican Coalition for Defense Reconversion. These programs did not grow. It was just really transferred as more applicable to the civilian side than the military side. That is why we have that amount in there.

It certainly has not grown just like export promotion in agriculture, which I am sure my distinguished colleague from Mississippi supports, which is over 1 billion bucks.

Talking about rescissions—now, just with the atmosphere or environment of frustration of amendments coming and going, I can say categorically, Mr. President, we could not offer an amendment all last week. I tried to. What we had was a fill-up-the-tree kind of approach and we had to take the amendments, and we had no votes. We sat around here for 3 days with no votes on amendments. My amendment has never been considered in subcommittee. Rolled in the Appropriations Committee as if we had considered it. And it only takes from other programs unexpended balances, rather than eliminate viable programs endorsed on both sides of the aisle that are not growing like topsy.

I ask unanimous consent to have printed in the RECORD at this point a letter from the president of the Advanced Technology Coalition, with the encompassing endorsement.

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

ADVANCED TECHNOLOGY COALITION,
Washington, DC, February 9, 1994.

Hon. ERNEST F. HOLLINGS,
U.S. Senate, Russell Senate Office Building, Washington, DC.

DEAR SENATOR HOLLINGS: On behalf of the Advanced Technology Coalition, we want to express our strong support for the Senate version of the National Competitiveness Act, S.4.

We believe that the bill deserves bipartisan support. We ask that you vote for the bill when it reaches the floor in the very near future. Its passage is essential to strengthening the ability of our companies and members to compete in the international marketplace; in short, S.4 means jobs and will contribute to our nation's long-term economic health.

Combined, the Advanced Technology Coalition represents 5 million U.S. workers, 3,500 electronics firms, 329,00 engineers, and 13,500 companies in the manufacturing sector. The Coalition is a diverse group of high-tech companies, traditional manufacturing industries, labor, professional societies, universities and research consortia that have a common goal of ensuring America's industrial and technological leadership.

The members of the Advanced Technology Coalition have invested an enormous amount of time working with both the House and the Senate in developing and refining the National Competitiveness Act. The Coalition believes that its views have been heard by Congress and reflected in the bill.

In short, we believe that S.4 will promote American competitiveness and enhance the ability of the private sector to create jobs in this country. We hope that you will play a leadership role in ensuring its passage. We would be happy to sit down with you or your staff to discuss the bill in greater detail.

Sincerely,

See attached list of associations, professional organizations, academic institutions and companies:

American Electronics Association (AEA).
National Association of Manufacturers (NAM).
The Modernization Forum.
Microelectronics and Computer Technology Corporation (MCC).
Honeywell, Inc.
National Society of Professional Engineers.
Business Executives for National Security.
IEEE-USA.
Semiconductor Equipment and Materials International (SEMI).
Institute for Interconnecting and Packaging Electronics Circuits (IPC).
Wilson and Wilson.
American Society for Training and Development.
Catapult Communications Corporation.
Dover Technologies.
Texas Instruments, Inc.
Columbia University.
Motorola.
Intel Corporation.
Cray Research.
Electron Transfer Technologies.
Electronic Data Systems (EDS).
American Society for Engineering Education.
U.S. West, Incorporated.
Electronic Industries Association.
Tera Computer Company.
Southeast Manufacturing Technology Center.
Convex Computer Corporation.
Association for Manufacturing Technology.
Semiconductor Research Corporation.
American Society of Engineering Societies.
AT&T.
Hoya Micro Mask, Inc.

Mr. HOLLINGS. I also ask unanimous consent we print a letter from President Clinton, an endorsement.

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

THE WHITE HOUSE,
Washington, DC, March 28, 1995.

Hon. ERNEST F. HOLLINGS,
U.S. Senate,
Washington, DC.

DEAR FRITZ: Thank you for your concern about the technology investment programs we have built together over the past two years. Your steadfast support of the Advanced Technology Program (ATP), the Technology Reinvestment Project (TRP), and related technology investment efforts has been indispensable in educating the new Congress as to their economic and national security value, and countering proposed legislative actions that threaten their existence.

These programs are a high priority to me and I will continue to fight for them. I have expressed strong opposition to the cuts to TRP and ATP in H.R. 889, and I am working to see that an acceptable bill comes out of conference. And, as you know, I have indicated that I would veto H.R. 1158 in the form passed by the House; the cuts to key technology programs are among the serious problems that I have with the bill.

Our technology investments in partnership with industry, while a small part of our entire federal R&D portfolio, make essential contributions to national security and economic growth. Together with TRP and ATP, initiatives such as the High Performance Computing and Communications program, the Partnership for a New Generation Vehicle, the Manufacturing Extension Partnership, Challenge Grants for Technology in Education, Information Infrastructure grants, and the Environmental Technology Initiative provide the necessary seed money for exciting, rewarding education for our children, productive jobs for our working people, and a better quality of life for all of us in the twenty-first century.

I have asked Laura D'Andrea Tyson, chair of the National Economic Council (NEC), to lead a team composed of senior officials from throughout my Administration to continue to build support for these vital investments in the nation's future. We want to work closely with you to protect our technology investments.

Sincerely,

BILL.

Mr. HOLLINGS. Mr. President, I rise to speak regarding a technology/NOAA amendment for myself, and Senators THURMOND, BINGAMAN, BREAUX, GLENN, GRAHAM, LEAHY, LEVIN, KENNEDY, KERRY, KOHL, LIEBERMAN, KERREY, MURRAY, PELL, ROCKEFELLER, and SARBANES.

There are many rescissions in the Commerce, Justice and State chapter of this bill which I am not pleased with. There are four particular rescissions in the Commerce Department section of the committee reported bill which my amendment would restore—the National Institute of Standards and Technology Manufacturing Extension Program, the Office of the Under Secretary of Technology, the NOAA Climate and Global Change Research Program, and the NOAA Coastal Ocean Program. These rescissions total $37.5 million and my amendment proposes $37.5 million in alternative rescissions in their place. My amendment is fully offset, dollar for dollar.

OFFSETS

The offsets in this amendment are quite simple, and they are all from other Commerce Department appropriations accounts. We propose rescinding $30 million from the unobligated balances in the NIST construction account. There are currently $195 million to such unobligated balances. Most of this amount is set to go on contract. But several projects have been held up due to environmental concerns and delays, and this rescission should have little impact on the agency being able to move ahead with modernization of its priority laboratories. This account has never been authorized, and there should be no reason why this rescission is not acceptable to the managers of the bill.

Second, we have recommended two rescissions of prior year unobligated balances from NOAA. We have recommended rescinding $5 million of unobligated balances from NOAA's construction account. Since fiscal year 1992 Congress has appropriated over $9 million for above standard costs for a

new environmental research laboratory. The principle construction costs for this facility are the responsibility of GSA. The construction of this facility has been held up by a number of environmental and community concerns.

Finally, we have proposed rescinding $2.5 million of prior year recoveries within the GOES Satellite contingency fund. This is a one-time appropriation account that Warren Rudman and I established in 1991 to ensure the GOES Satellite Program continued. The program got back on track, and the first GOES-next satellite is now in orbit—these unobligated funds are no longer needed.

So each offset is based on good financial management. We have identified prior year appropriations that are not required or not needed at this time. Our proposed restorations, however, continue priority NOAA and technology programs that should not be cut.

RESTORATIONS

Our amendment provides restoration of appropriations for four programs:

Technology programs: With respect to the Commerce technology and competitiveness programs. The committee bill rescinds $26.5 million from the NIST Manufacturing Extension Program—from Manufacturing Technology Centers—and it rescinds $1.5 million from the Office of the Under Secretary of Technology, Mary Good.

No. 1, Office of the Under Secretary for Technology: I find it hard to believe that this Senate would want to cut Under Secretary Mary Good's office. She is the finest Under Secretary for Technology we have had. She is the kind of leader that we had in mind when the Congress passed the 1988 Trade Act. This cut would make her either lay off her staff or terminate valuable projects, like the Commerce Department's share of the United States/Israel Science and Technology Agreement. When I was chairman, we annually exceeded the Bush and Reagan budget requests for this office. I was requested to do so by Republican members of this committee, and I was happy to do so. Further, I cannot understand why we would want to prevent the Under Secretary of Technology from following through participating in a technology and science agreement with our allies, the Israelis.

So, first, our amendment restores funding for her office and prevents any reduction to the U.S./Israeli science and technology agreement.

No. 2, Manufacturing extension: Second, the House bill and the committee-reported bill currently cuts the NIST Manufacturing Technology Centers by $26.5 million. Our amendment would restore $24 million of this program, and leave a rescission of $3.1 million.

The Manufacturing Extension Program now supports 44 centers in 32 States. Most were started with defense conversion [TRP] funds but have now been transferred onto NIST's budget. These centers provide hands-on technical support to small to medium-sized manufacturers to help them upgrade equipment, improve production processes and save jobs. They are cost-shared with States and are competitively awarded. This is a merit-based program—neither the President nor the Secretary of Commerce, nor members of Commerce—can earmark these centers. Each center is tailored to the industrial characteristics and needs of the area in which it is located. So the center in Philadelphia, is different from the center in Albuquerque, NM, which is different again from the manufacturing extension center in Rolla, MO.

Now there are two specific impacts from the rescission proposed in the committee reported bill. First, NIST will not be adding as many new centers as we intended when I fought for these funds in conference last year. And I should note that NIST informs me that they expect applications to come in from many States.

Second, some of the 37 centers that were started with Defense appropriations will have to begin phasing out operations—because NIST will lack the funding to take over the Federal portion of their operational support.

This is an effective program that has always been bipartisan. I remember when former Vice President Dan Quayle traveled to the Great Lakes Manufacturing Center in Cleveland, OH. He praised their work and was particularly impressed with their role in keeping an automotive part manufacturer in business. General Motors told the small firm to cut costs or they would contract with a Mexican firm. The NIST manufacturing center designed machinery to automate and modernize the firm's operations—and the company prospered and added even more jobs in Cleveland. In fact, there is a picture of the Vice President in the entrance to that Great Lakes Manufacturing Center.

NOAA OCEAN AND ENVIRONMENTAL PROGRAMS

No. 3, NOAA, Coastal Ocean Program. Third, my amendment restores $5 million to the National Oceanic and Atmospheric Administration's [NOAA] Coastal Ocean Program. The Coastal Ocean Program was established as a agency-wide initiative to focus the capabilities of all NOAA line organizations to deal with coastal and oceanic issues of national concern. Examples include fisheries research in the Bering Sea off Alaska and the Georges Bank off Massachusetts, New Hampshire and Maine; and estuary and ecosystem studies in Florida and the Chesapeake Bay. The Coastal Ocean Program is merit-based and employs competitive peer review. The program was recently praised by the National Research Council.

The House rescission, which the committee reported bill agrees to, eliminates half the Coastal Ocean Program's funding! This would result in a loss of ongoing field and laboratory work and it would impair NOAA's ability to attract quality scientists and oceanographers. Many coastal ocean projects would have to be terminated or severely curtailed.

No. 4. NOAA Climate and Global Change Program. Finally, our amendment would restore $7 million for the NOAA Climate and Global Change Research Program. Specifically, we would seek to restore cuts that the committee reported bill, which cuts twice as much as the House bill from this program, would require in the research and understanding of the role of the oceans in climate change.

NOAA's Climate and Global Change Program is a competitive and peer-reviewed program of scientific grants geared toward improving our understanding of long-term changes in the oceans and atmosphere.

This is a quality program that increasingly is paying off by allowing NOAA to have more accurate long-term weather forecasts. We used to think of a wet side to NOAA and a dry side or atmospheric side of NOAA. The Climate and Global Change Program is breaking down these artificial barriers by proving that the oceans hold the key to global climate and weather.

A case in point is NOAA's program to monitor and forecast El Nino events. El Nino is an interannual change in the air-sea conditions of the tropical Pacific that can cause torrential rains, droughts and major shifts in ocean conditions. For example, during a 1983 El Nino, 600 people died in South America, and Peruvian economic losses due to severe weather and poor fishing were estimated at $2 billion. In the United States, the west coast and Gulf of Mexico were hit by major winter storms that led to beach erosion, flooding and mudslides. Increasingly, NOAA's climate and global change research is correlating severe weather events and the temperature of the equatorial Pacific. The Program plays a key role in efforts to develop El Nino predictions that could improve planning and preparation for such events, thereby saving hundreds of lives and preventing millions in economic losses.

Mr. President, again this amendment is fully offset. I urge its adoption.

Mr. ROCKEFELLER. Mr. President, this amendment, offered by the Senator from South Carolina, deserves strong support from this body. I am a cosponsor of the amendment for a very basic reason. Our amendment will restore funding for what's called the Manufacturing Extension Partnership [MEP] Program— a vital network of facilities dedicated to a strong manufacturing base in this country. With vision and a lot of hard work, the Senator from South Carolina has turned a very basic idea into a very powerful, invaluable reality.

It seems incredibly stupid to cut funds from a program that has the track record of this one. The name says it all—manufacturing extension. That means that because of this program, the small- and medium-sized businesses

of this country have place to contact, to call, to visit where they get the latest there is to know about how to make products and turn a profit. Cut the funds, eliminate these centers, and cut off the businesses of our country from what they cannot get anywhere else.

Forty-four manufacturing extension centers now operate in 32 States. The centers are sharing expertise, information, and advice to smaller- and mid-sized companies that want to manufacture products and want to stay in business. This extension network has been so successful that other States are waiting In the wings to get centers of their own, and to link hundreds and even thousands of the businesses in their State to a central repository of people and expertise steeped in the state-of-art in manufacturing and technology. Anyone who knows what the Agricultural Extension Service did in this country to help farmers learn about the latest techniques for irrigation, for farming, for keeping their costs down, understand this model now applied to manufacturing very well.

These manufacturing extension centers play a role that cannot and will not be duplicated by any single part of the private sector. They play a truly public role, because their only client is the public interest. They share information and ideas among businesses. They learn what works on 1 factory floor, and help 20 more businesses avoid reinventing the wheel by learning from the first. They spread manuals, training guides, information across their States—with the latest findings and ideas on how to run and fix equipment, make products efficiently, organize and train a work force, and make profits.

We all know how information and know-how spread in places like Silicon Valley and Cambridge, MA. Extension programs tie the rest of the country's small manufacturers into these and other hubs of new technology, and allow even the smallest firm to share in new ideas and equipment in a way that enables businesses across the country to prosper.

In West Virginia, this is the program responsible for drawing together two facilities, the West Virginia Industrial Extension Service at West Virginia University and the Robert C. Byrd Institute for Advanced Manufacturing at Marshall University. The program is called the West Virginia Partnership for Industrial Modernization [WVPIM].

Because of this effort, the hundreds of small businesses in my State have a place to go for help and expertise that would not be there otherwise. In Huntington, WV, there is the story of Wooten Machine Co. Because of the help that this company got from the Institute for Advanced Manufacturing, Wooten went from making parts manually to computerizing their operation. Now they are talking about hiring more people.

They are not alone. Stinson Manufacturing in Alta, WV, went from a 4-person operation to one that now employs 28 people and has annual gross sales of more than $1 million, again with the help of the Robert C. Byrd Institute.

This is not just about tying together the resources in just one State. Mr. President, there is a tremendous advantage in being part of a national network of centers planted in different States. With the help of this network, West Virginia firms are staying on top of the innovations and techniques that are being collected from thousands of small- and mid-sized firms throughout the country. Larger firms will always be able to keep up with modernization, they have the staff and resources to do that. But if this unique network of manufacturing centers shrinks or dies off, the losers will be the small firms in our States.

Nationally, there are almost 400,000 small- and mid-sized manufacturers that employ less than 500 people apiece—these manufacturers account for over half our national manufacturing output. Nearly 12 million people, in all 50 States, work at these small- and mid-sized firms.

Mr. President, in the global marketplace, firms of any size must master modern technologies, management techniques, and methods of work organization. The exciting part of progress is that you don't have to run a business in Chicago or Detroit or New Orleans to be the best maker of an auto-part, a computer chip, a machine tool. You can be in remote parts of Montana or West Virginia or South Carolina. But you do have to be linked to the information that is necessary to keep up with the advances breaking out every day.

Our Nation's overall economy requires thousands of small- and mid-sized firms keeping up at breakneck pace with what works in design, production, marketing, training, and all kinds of other practices.

Mr. President, the American people know what it will mean to our Nation's long-term economic survival if we do not keep making products and being the best at manufacturing. We have to build things to survive in this increasingly competitive global marketplace. The Manufacturing Extension Partnership is the best, most efficient way to advance this cause.

I also ask unanimous consent that a Dear Colleague distributed by myself and several colleagues on the importance of this effort be reprinted immediately after this statement.

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

U.S. SENATE,
Washington, DC, March 23, 1995.

DEAR COLLEAGUE: Tomorrow, Friday, March 24, 1995, the Senate Appropriations Committee will mark-up the many rescissions passed by the House of Representatives as part of the Disaster Relief Supplemental Appropriation.

One item included in the House package is a $26.5 million rescission from the Manufacturing Extension Partnership—that amounts to 30 percent of this current year's appropriated funds.

We believe Congress should continue its history of bipartisan support for this unique network of assistance dedicated to equipping small-and-medium-sized businesses and their employees to maximize their potential in manufacturing and for growth.

The MEP centers exist in most states, and play an essential role in diffusing and sharing the state-of-the-art ideas, lessons, and methods that businesses in all of our states—especially when they're not in metropolitan centers—would not otherwise obtain.

To help you think about the vital role of the Manufacturing Extension Partnership, we offer you the following:

10 KEY FACTS ABOUT THE MANUFACTURING EXTENSION PARTNERSHIP—AND WHAT'S AT STAKE FOR THE BUSINESSES AND ECONOMIES OF YOUR STATE

1. The Manufacturing Extension Partnership (MEP) is based on the basic, proven idea that a strong manufacturing base is essential to this nation's economic strength and future. Manufacturing employs almost 19 million Americans, representing more than 20 percent of the private sector workforce and accounting for almost a fifth of the U.S. GNP over the last 40 years.

2. Small manufacturing firms, with less than 500 employees—the primary customers of the MEP—contribute more than half of total U.S. value-added in manufacturing and employ almost two-thirds of all manufacturing employees, approximately 12 million Americans.

3. America's small manufacturers know their challenge lies in being able to learn about and adopt modern manufacturing equipment and "best practices," and overcoming various barriers to change, including geographic location or even isolation, awareness, information, finance, and regulations. These are the smaller companies across the country being assisted by manufacturing engineers at MEP extension centers run by local, state, and non-profits.

Median size of MEP's client companies is 50 employees; median sales of a MEP's client companies is $5.4 million; median age of MEP's client companies is 26 years.

4. The Manufacturing Extension Partnership is industry-driven, and market-defined. It builds on and magnifies existing state and local industrial extension initiatives and resources. Centers are managed and staffed by experts with private sector manufacturing experience.

5. The MEP Centers are awarded funds using a rigorous, merit-based competitive process.

6. MEP and its Centers focus services on activities where economies of scale do not exist in the marketplace, and on only those firms which demonstrate a commitment to their own growth and development.

7. The small amount of federal dollars available for MEP leverages substantial resources in state and local governments, as well as the private sector.

8. MEP is committed to performance measurements which focus on the bottom-line economic impact for client companies. This program has shown a rate of return of 7-to-1 for the federal government's investment, with concrete benefit in increased sales, cost savings, and jobs for small manufacturers.

9. Companies using MEP centers are becoming more competitive and are improving their long-term prospects for growth. Their goal is to retain existing jobs, create new high-skilled jobs, and contribute broader economic benefits.

10. Manufacturing Extension Centers are in 32 states, and one of them could be yours. But even if your state is still without a center, eliminating funds from the Manufacturing Extension Program will mean giving up on the goal of a modern, national network to provide irreplaceable technical assistance to our businesses and workforce.

In conclusion, our point is: ''fiscal year rescissions undermines manufacturing strength''

The proposed $26.5 million rescission for the Manufacturing extension Partnership would weaken the emerging, nationwide network of extension centers—co-funded by state and local governments—that provide small and medium-sized manufacturers with technical assistance as they upgrade their operations to boost competitiveness and retain or create new jobs. The rescission would reduce funding available for establishing new centers around the country. Approximately 10 new centers could be funded in FY 1995, rather than the planned 36 centers. Reducing the number of new centers would slow the delivery of MEP services to large regions of the United States—and many thousands of small companies.

We urge your support for his important endeavor. For further information, please contact Laura Philips at 4–9184 in Senator Lieberman's office or Ken Levinson at 4–7515 in Senator Rockefeller's office.

Sincerely,

JOE LIEBERMAN.
JOHN GLENN.
JAY ROCKEFELLER.
JEFF BINGAMAN.

Mr. KERRY. Mr. President, I speak today in support of the Hollings amendment to the Emergency Supplemental Appropriations Act. The amendment would restore programs that are important to the people of Massachusetts and the entire country. I would also like to note that offsets for each of these programs is provided so the total amount of the rescission package is not affected.

NIST's Manufacturing Extension Program [MEP] is vitally important to small businesses in my State. MEP supports our Bay State Skills and University of Massachusetts technical assistance programs for small- and mid-sized Massachusetts companies. The House bill rescinds $26.5 million from this program and the Senate bill retains this rescission. The Hollings amendment would restore the entire amount rescinded from the MEP Program.

The second program addressed in the amendment is the NOAA Coastal Ocean Program [COP], a nationwide science program that is conducting very important interdisciplinary research on oceanographic problems. As part of the COP, a major field study is presently being conducted of Georges Bank as part of the U.S. Global Ocean Ecosystems Research Program [U.S. GLOBEC]. The main objective of the study is to understand the physical and biological processes that control the abundance of populations of commercially important marine animals. The House and Senate Bills rescind $5 million of COP's $11 million in fiscal year 1995 funding—40 percent of the budget. The rescission is harmful not only to U.S. marine science but also to resource management decision-making which depends on the results of this science. The Hollings amendment would restore the $5 million rescission in the NOAA operations, research and facilities account for the Coastal Ocean Program, resulting in retention of $11 million in funding for this year. As an offset, the amendment would increase the rescission in NOAA construction account from $8 million to $13 million. This would decrease the construction account from $97 million to $84 million. NOAA supports this change.

The final program that the amendment addresses is the NOAA Global Climate Change Program. This program seeks to develop a clearer picture of the relative roles of various greenhouse gases in causing global warming. The Senate bill rescinds $14 million of the $78 million in fiscal year 1995 funding. The amendment would restore $7 million of the rescission for this critical program. The offset would come from the NIST construction fund and the GOES construction fund.

I compliment the distinguished Senator from South Carolina for his leadership in these oceans and technology issues—which he has championed for years. It is my pleasure to serve with him on the Commerce Committee, where he was recently chairman and is now the ranking Democrat.

I join with him to prevent shortsighted cuts in these beneficial programs that exemplify the kind of nationally important work government can do so well and I urge my colleagues to support this amendment.

Mr. HOLLINGS. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator has 6 minutes and 40 seconds.

Mr. HOLLINGS. Mr. President, I retain the remainder of my time and yield time to the Senator from Connecticut.

Mr. LIEBERMAN. Mr. President, very briefly I just wanted to respond to my friend from Mississippi and say we are at a time when, obviously, we have to make some tough choices, a lot of tough choices. There are a lot of rescissions in this bill to cut spending and I am going to support most of them. But it seems to me this is one that does not make sense because of the numbers I cited, which is $8 in economic growth for every $1 we spend in this program.

I have to tell my colleague, I know we all hear different messages from our people back home. When I am in Connecticut there is one question that I think is most on people's minds, resonating throughout the State, and I think, throughout the country. The question is: ''Can you do something in Washington to protect my job, to keep my job secure?'' se If people have lost a job, as too many people in my State have, because of manufacturing downsizing, the question becomes: ''What can you do to help me get a new job?''

I know some of the old industries in our State which have downsized, some have even closed, are not going to expand in the near future. The only answer here is to grow the economy. There are tax policies I will look forward to supporting that will encourage capital formation and help make that possible.

But it seems to me one of the best things we can do is to create manufacturing extension centers that will reach out to the small- and mid-size companies to help them grow and help them create jobs. This is a program where I feel we make a mistake by cutting a single dollar because this is a program that gives a lot of people out there—people who are worried about their futures—some hope that there is a new and a good job, a high-paying job, around the corner.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. HOLLINGS. Mr. President, the Senator from Mississippi should understand, this does not add back. It does not add back one red cent. It is offset within the same budget for unexpended construction funds that are sitting there.

I am here going along with the original premise and the continuing premise of rescissions. That is the basic premise. This amendment is in conformance. It does not add back. It readjusts allocations under the same budget from construction—whether you are going to build office buildings or you are going to start building jobs.

How much time do I have remaining, Mr. President?

The PRESIDING OFFICER. The Senator has 3 minutes and 40 seconds.

Mr. HOLLINGS. I retain the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. LOTT. Mr. President, I think we have made our points. We will be prepared to yield our time and go to a vote if the Senator would like to. I think we only have a total of about 5 minutes or so left. How much do we have?

The PRESIDING OFFICER. The Senator from Mississippi has 6 minutes remaining. The Senator from South Carolina has 3½ minutes.

Mr. HOLLINGS. Mr. President, I will go along with the suggestion of the distinguished Senator from Mississippi. What happened, two or three Senators wanted to be heard, but we only have 3 minutes if they got here.

Is it the point to yield the remainder of our time, make the motion, get the yeas and nays? Is that it?

Mr. LOTT. Yes, sir.

Mr. HOLLINGS. Very good.

Mr. LOTT. Mr. President, I yield the remainder of my time.

Mr. HOLLINGS. I yield the remainder of my time.

The PRESIDING OFFICER. All time has been yielded back on the amendment.

Mr. LOTT. Mr. President, I move to table the Hollings amendment and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

VOTE ON MOTION TO TABLE AMENDMENT NO. 574 TO AMENDMENT NO. 420

The PRESIDING OFFICER. The question is now on the motion to table the amendment of the Senator from South Carolina. The yeas and nays have been ordered.

The clerk will call the roll.

The assistant legislative clerk called the roll.

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

The result was announced—yeas 43, nays 57, as follows:

[Rollcall Vote No. 129 Leg.]

YEAS—43

Abraham	Gorton	McCain
Ashcroft	Gramm	McConnell
Bennett	Grams	Murkowski
Bond	Grassley	Nickles
Brown	Gregg	Pressler
Campbell	Hatch	Roth
Chafee	Hatfield	Santorum
Coats	Helms	Shelby
Cochran	Hutchison	Simpson
Coverdell	Inhofe	Smith
Craig	Kempthorne	Thomas
Dole	Kyl	Thompson
Domenici	Lott	Warner
Faircloth	Lugar	
Frist	Mack	

NAYS—57

Akaka	Feingold	Lieberman
Baucus	Feinstein	Mikulski
Biden	Ford	Moseley-Braun
Bingaman	Glenn	Moynihan
Boxer	Graham	Murray
Bradley	Harkin	Nunn
Breaux	Heflin	Packwood
Bryan	Hollings	Pell
Bumpers	Inouye	Pryor
Burns	Jeffords	Reid
Byrd	Johnston	Robb
Cohen	Kassebaum	Rockefeller
Conrad	Kennedy	Sarbanes
D'Amato	Kerrey	Simon
Daschle	Kerry	Snowe
DeWine	Kohl	Specter
Dodd	Lautenberg	Stevens
Dorgan	Leahy	Thurmond
Exon	Levin	Wellstone

So the motion to lay on the table amendment No. 574 to amendment No. 420 was rejected.

Mr. HOLLINGS. Mr. President, I move to reconsider the vote.

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

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. Is there further debate on the amendment?

Mr. HOLLINGS. I urge adoption of the amendment.

The PRESIDING OFFICER. The question is on the adoption of the amendment. Is there further debate?

The amendment (No. 574) was agreed to.

Mr. HOLLINGS. Mr. President, I move to reconsider the vote.

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

The motion to lay on the table was agreed to.

Mr. WELLSTONE addressed the Chair.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. WELLSTONE. Mr. President, I send an amendment to the desk.

Mr. FORD. Mr. President, may we have order.

The PRESIDING OFFICER. Will the Senator from Minnesota suspend?

The Senate is not in order. The Senate will be in order.

Mr. FORD. Mr. President, I do not believe they can even hear you.

The PRESIDING OFFICER. Will the Senate please be in order?

The Chair advises the Senator from Minnesota that under the previous order, at this time, the Senators from Pennsylvania were to be recognized for 10 minutes.

Mr. DOLE addressed the Chair.

The PRESIDING OFFICER. The majority leader.

Mr. DOLE. Mr. President, if the Senator from Minnesota would just give us about 5 minutes, then we will come back to the Senator from Minnesota.

Mr. WELLSTONE. I thank the majority leader.

The PRESIDING OFFICER. Under the previous order, the Senator from Pennsylvania is recognized.

The Senate will be in order.

Mr. SANTORUM addressed the Chair.

The PRESIDING OFFICER. The Senator from Pennsylvania.

THE JIMMY STEWART MUSEUM IN INDIANA, PA

Mr. SANTORUM. Mr. President, Senator SPECTER and I rise today to honor a native son of the Commonwealth of Pennsylvania who is going to be honored next month in Indiana, PA—the birthplace of Jimmy Stewart—with a museum that is going to open right about half a block away from the birthplace of Jimmy Stewart.

Many of us have been working long and hard on this museum, trying to get a suitable museum for a man like Jimmy Stewart.

Jimmy Stewart asked, when the people of Indiana, PA, went to him and asked to do a museum for him, that it not be anything fancy; that he wanted it to be very modest. He did not want the University of Indiana, PA, to have a big museum dedicated to him. He wanted something very simple.

In fact, he refused to have anyone from Hollywood participate in any of the fundraising. He said he wanted it to be something from the community and not anything that was generated with a lot of money and a lot of fanfare; that that would make him feel uncomfortable.

So the people of Indiana, PA, have set about the process of raising the money locally and secured the third floor of an old house, just a very small amount of space. Mr. Stewart donated the artifacts for the museum, some of his personal memorabilia. And, in fact, he still has several old friends who have been sort of shepherding this cause along.

I am rising today with Senator SPECTER to pay tribute to him and to the people of Indiana, PA, a little town in western Pennsylvania; a town that, frankly, has had some tough times of late. In fact, Indiana County has the highest unemployment rate of any county in the Commonwealth of Pennsylvania.

But they pulled themselves together and are putting together this really fine and lovely and modest tribute to Jimmy Stewart.

The man is an incredible man in America. He is an actor who has appeared in 71 films. Obviously, we all know the famous films that he has been in. Who has gone through a Christmas holiday without seeing the brilliant George Bailey part that he played and that we all can identify with as someone who has gone through some tough times and been able to face those tough times, and the spiritual role that he played in that movie.

I can still relate to him as I watch ''Mr. SMITH Goes to Washington,'' and the role he played as a U.S. Senator in fighting for what the people of his State called for.

He has been an inspiration not only on the movie screen, but he has been a tremendous inspiration as a war hero. He was assigned to the Army Air Corps, rising from private to bomber pilot, to commander of the Eighth Air Force Bomber Squadron. He, himself, flew 21 missions over enemy territory, including Berlin, Bremen and Frankfurt. By the time it was over Over There, James M. Stewart would be known as colonel, and he would be later decorated with an Air Medal, The Distinguished Flying Cross, and the Croix de Guerre. All told he accumulated 27 years of service in Active and Reserve Duty, even attaining the rank of brigadier general.

On May 20 in Indiana, PA, we will be celebrating Jimmy Stewart's birthday and the opening of the Jimmy Stewart Museum. And, in so doing, we really do honor a great American, someone who takes life in stride and who is just a wonderful example of the goodness that is in America.

I just want to read a couple of quotes from Jimmy Stewart that I found to be amusing and somewhat typical of the man. He said once:

> Jean Harlow had to kiss me, and it was then I knew that I'd never been kissed before. By the time we were ready to shoot the scene, my psychology was all wrinkled.

On his experience in the military and in the war:

> I always prayed, but I didn't really pray for my life or for the lives of other men. I prayed that I wouldn't make a mistake.

And finally, when he was flying a plane back for the Army, he ran into engine trouble while flying a tour of duty in 1959, but managed to bring his plane to a safe landing. He was quoted after he got out of the plane:

> All I could think of was not my personal safety, but what Senator Margaret Chase Smith (who was then chairman of the Senate Armed Services Committee) would say if I crashed such an expensive plane.

That is the kind of down-to-earth goodness and humbleness that Jimmy Stewart brought to the stage and to the screen and to the families of millions and millions of Americans and millions around the world.

He, frankly, deserves a greater tribute but, frankly, I cannot think of a more appropriate tribute to a modest man, to a good man, than a modest museum in his own hometown.

Mr. President, I yield the floor.

Mr. SPECTER addressed the Chair.

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. SPECTER. Mr. President, I am pleased to join with my distinguished colleague, Senator SANTORUM, in commemorating the opening of the museum in Indiana, PA, on May 20 of this year, which will commemorate the 87th birthday of a great American.

James Stewart spoke in the Senate of the United States to a spellbound crowd in the movie ''Mr. Smith Goes to Washington,'' unlike those assembled here today, who are still conducting some substantial business as we near the completion of this important appropriations bill.

The PRESIDING OFFICER. The Senator will suspend while we get order on the floor.

Could we please have order in the Senate?

I thank the Senator.

The Senator from Pennsylvania is recognized.

Mr. SPECTER. Mr. President, I feel a particular affinity for James Stewart for many reasons. In addition to playing a U.S. Senator for the movies, he was also the lead actor in ''The Philadelphia Story,'' for which he won an Academy Award.

He is a Pennsylvanian from a small town, Indiana, PA, which has a very striking statue in his honor.

In opening this museum on May 20—we talk about it on an appropriations bill—it is relevant to know that there is no Federal funding, at least to my knowledge, for this museum, which the people are offering as a tribute to James Stewart.

He has really a remarkable career as an actor and as a great patriot, one of the first movie stars to enter in World War II. He rose from the rank of private to the rank of colonel. He had 20 missions over Bremen, Frankfurt, and Berlin. He is an all-American hero. He reminds us of that when he appears frequently on television and in the reruns of ''It's a Wonderful Life.''

James Stewart is an American success story, and it is entirely appropriate that he be honored in his hometown on May 20 of this year.

Jimmy Stewart's achievements on and off the silver screen are well known to us, and Indiana, PA, is indeed fortunate to claim him as one of its own. He was born in Indiana, PA, on May 20, 1908, and graduated from Princeton University in 1932 with a degree in Architecture. Shortly after his graduation, Jimmy joined a summer theater group, debuting that same year in a production of ''Goodbye Again.'' After several years of performing in Broadway productions, Jimmy made his film debut in ''The Murder Man'' in 1935. His legendary film career was launched, and over the next several years he would bring us such classics as ''It's A Wonderful Life,'' ''Destry Rides Again,'' and ''The Philadelphia Story.'' His 1939 ''Mr. Smith Goes to Washington'' stands before us all—here in Washington and all throughout our country—as an abiding testimony to the importance of courage and integrity.

Jimmy Stewart's excellence in film, however, is matched by his sense of duty and patriotism. When his country called him to serve in World War II, he answered willingly; he served as a bomber pilot in the U.S. Air Force with dedication and distinction, earning several medals and commendations—and yet all the while with a sense of modesty and humility that belied the star-of-the-screen status he had left behind. By the time he returned home to the States, Mr. Jimmy Stewart had become Col. Jimmy Stewart, and over the course of his continued service in the Air Force Reserve in the years after the war he rose to the rank of Brigadier General.

His post-war return to the world of film brought us some of his greatest cinematic achievements, including such collaborative efforts with Alfred Hitchcock as ''Rear Window,'' ''The Man Who Knew Too Much,'' and ''Vertigo.'' In 1950, he brought us ''Harvey,'' in 1953, ''The Glenn Miller Story,'' and in 1962, ''The Man Who Shot Liberty Valance.'' And in the most gloriously atypical fashion, he and his wife Gloria remained together through it all year after year until her recent passing.

Jimmy Stewart's many contributions to the world of film, as well as the steadfast humility of his character and the tremendous sacrifice that he made as he served in behalf of his country, have endeared him to us all, and the occasion of the opening of this museum in his honor is a special one indeed. I am personally grateful for the joy that he has brought to us in his films and for the tremendous model of integrity and selflessness that he has exhibited for so many years, and I am hopeful that this modest museum erected in his honor will serve to enshrine his contributions and his character for many generations to come.

These remarks, along with the remarks by my distinguished colleague, Senator SANTORUM, as we pay tribute to this very, very distinguished American and Pennsylvanian.

I thank the Chair and yield the floor.

The PRESIDING OFFICER. The Senator from Minnesota has been recognized.

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

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

EMERGENCY SUPPLEMENTAL APPROPRIATIONS ACT

The Senate continued with the consideration of the bill.

The PRESIDING OFFICER. The Chair reminds the Senator, the question before the Senate is amendment No. 441 in the second degree to amendment No. 427. The Senator needs to ask unanimous consent for that to be set aside.

Mr. WELLSTONE. I ask unanimous consent that that amendment be set aside.

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

Mr. WELLSTONE. I thank the Chair.

Mr. President, shortly I think we will have some agreement on an amendment that I will offer. I thought what I might do is take advantage of this time to briefly summarize this for colleagues. I appreciate the hard work of the majority leader and the bipartisan spirit of this.

Senior citizens face a confusing world of rules, conditions, exceptions, limitations, and even outright scams when choosing their supplemental health insurance and grappling with the Medicare system. Congress recognized the difficulty seniors face when it established a program, which is really a wonderful program. It is sort of the best example of grant money going a long way, and is called the Insurance Information Counseling and Assistance Grant Program in OBRA 1990. This was a recognition by the Congress that Medicare beneficiaries need help, not help through a Washington agency, but person-to-person help at a local level.

All 50 States have established insurance counseling and assistance programs with the help of Federal grant dollars. As a result, these programs provide local volunteer based assistance to Medicare beneficiaries.

Mr. President, this grant program is a perfect example of a small program—it is basically seed money—that has produced big results. Let me repeat that—a small program that has produced big results.

Over 10,000 volunteers have been trained through the program, and over $14 million is saved each year for beneficiaries just by good counseling for senior citizens who have a difficult time.

I remember that both my mom and dad had Parkinson's disease and, in the latter years of their lives, among their struggles was the struggle of just wading through some of the paperwork that they had to do, and some of the forms that they found bewildering.

In my own State of Minnesota, 300 volunteers have been trained, and 3,300

beneficiaries were assisted in 1994 alone—just in the State of Minnesota—and $867,000 was saved on their behalf.

Mr. President, I just simply want to make the case that what we are trying to do here is restore $5.5 million that is part of the proposed rescissions. What we are working on now is what the offset will be.

This is $5.5 million to be added on to what I think is now being spent, which is also about $5.5 million, which wil go a long way. Again, this is not a program centered in Washington, DC. This is a program that uses a small amount of Federal dollars that goes a long, long way. We train volunteers in each of our States, and I say to my colleagues that I know if you just talk to people in your State, especially senior citizens, you will find that there is a tremendous appreciation for the Insurance Information Counseling and Assistance Grant Program.

So I am just trying to restore $5.5 million. We are now working on an offset. As soon as we have that offset—and I think it will be soon—it is my hope that my amendment will have unanimous support.

Mr. President, I also want to say to my colleagues, the reason that I have been working on this amendment is, at least for me, one of the better reasons to be in the U.S. Senate—the need for this program comes directly from a lot of senior citizens in the State of Minnesota. People are really committed to this program. They feel it is not very expensive. I am just trying to get $5.5 million back in here to provide counseling assistance to seniors all across the country, and people tell me it is a huge help to them.

I think this is a good example of public policy that is not overly centralized, Mr. President, and not overly bureaucratized. It takes place back in our States and local communities, and constitutes the best example of using a small amount of money to get a lot of volunteers to provide a lot of help to senior citizens working their way through these forms, and it is a wonderful consumer protection and prevention program against some of the scams that all too often, unfortunately, happen to seniors.

I suggest the absence of a quorum. I hope soon we will have some resolution.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

Mr. GORTON. Mr. President I ask unanimous consent that we lay aside the pending amendment if we have one.

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

AMENDMENT NO. 576 TO AMENDMENT NO. 420

(Purpose: To restore $614,000 proposed for rescission from the Weir Farm Historical Site, CT, and $700,000 proposed for rescission from the Jefferson Expansion Memorial, IL, offset by rescissions of $700,000 from land acquisition for the Wayne National Forest, OH, and $690,000 from the Highway Trust Fund; and to prohibit the purchase of lands in Washington County and Lawrence County, OH)

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

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Washington [Mr. GORTON] proposes an amendment numbered 576 to amendment No. 420.

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

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

The amendment is as follows:

On page 19, line 2, strike ''$11,297,000'' and insert: ''$9,983,000''.

On page 21, line 17, strike $3,020,000'' and insert: ''$3,720,000''.

On page 21, line 17, after ''rescinded'' insert ''and the Chief of the Forest Service shall not exercise any option of purchase or initiate any new purchases of land, with obligated or unobligated funds, in Washington County, Ohio, and Lawrence County, Ohio, during fiscal year 1995''.

On page 44, line 77, insert the following:

FEDERAL HIGHWAY ADMINISTRATION

FEDERAL AID HIGHWAYS

(HIGHWAY TRUST FUND)

(RESCISSION)

Of the available contract authority balances under this heading in Public Law 100–17, $690,074 are rescinded.

Mr. GORTON. Mr. President, this amendment includes five items, all of which apply within the general direction of the Interior Committee portions of this bill. They are at the request of individual Senators and have offsets there for relatively small projects. They have offsets. They have been cleared with the majority and minority parties.

They include elements in Ohio, Illinois—that is one in which Missouri is interested—and Connecticut.

The PRESIDING OFFICER. The Senator from Arkansas.

Mr. BUMPERS. Has the Senator from Washington sent the amendments to the desk? Are they at the desk?

Mr. GORTON. They are.

Mr. BUMPERS. Mr. President, those amendments have been cleared on this side.

The PRESIDING OFFICER. If there be no further debate, the question is on agreeing to the amendment.

The amendment (No. 576) was agreed to.

Mr. GORTON. Mr. President, I move to reconsider the vote.

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

The motion to lay on the table was agreed to.

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

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

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

Mr. DOLE. Mr. President, as I understand it, the Senator from Nevada is prepared to offer an amendment. I wonder if we might agree to a 30-minute time agreement on the amendment?

Mr. BRYAN. Mr. President, if I may respond, Senator BUMPERS is the primary sponsor of this. I am trying to reach him. He will be here momentarily. I am certainly agreeable in principle to the time limit to accommodate the leader and move this along, but I am reluctant to agree to a specific time until I speak with him.

Let me assure the leader I will try to ferret out the distinguished Senator from Arkansas and will be in communication with the leader as soon as possible.

ORDER OF PROCEDURE

Mr. DOLE. Mr. President, I just want to give my colleagues a status report on where I think we are. I believe we are making progress, but I am not certain because I see some additional amendments that have been added, additional cost items, add-backs—about $60 million. Then the offset has been reduced by about $60 million. It is about $120 million that has sort of disappeared here without our knowledge on this side.

We are perfectly willing to discuss these items or look at offsets that might be offered.

$46 million for Job Corps; I do not know where that came from. That came out of the blue; never discussed it yesterday. TRIO, whatever TRIO is; immigration and education; substance abuse and mental health—all these things. There is already a great deal of money in the bill for all of these programs.

Then the IRS offset disappeared. That was $50 million. Library is $10 million; maybe one or two others.

So we have sort of gone backwards on the deficit reduction and forwards on spending more money. Now, maybe in the overall mix of things, because this is about a $16 billion rescission package, we should not quarrel about $120 million. But I think there may be principle involved here, too.

If we are going to negotiate, then we ought to negotiate and finish this bill, or finish it tomorrow. I am not going to stay here very much longer tonight if we are not making any more progress than we are. So we will come back tomorrow. But I hope before that decision is made we can come to some conclusion on where these amendments came from. Why were there not any offsets? Why did we lose some $60 million on the offset side, savings side? Then I think we would be prepared to reach some agreement.

I know the Senator from Nevada has an amendment. I know the Senator from Minnesota has an amendment. And I know there is a managers' amendment. Then I think there was one additional amendment. The Senator from Iowa has an amendment on CPB. I thought those were all of the amendments. Then we discovered there are four more amendments that have been added back without a vote or anything else. Then there were some taken out of the savings side without a vote or anything else.

I just say to my colleagues on the other side. We want to be cooperative, but we cannot do business this way. I am prepared to see if we cannot work something out in the next 30 minutes. If not, we will recess for the evening and come back sometime tomorrow.

Are we yet in a position to get a time agreement? We are never going to finish it unless some people are willing to give us some time agreements.

Mr. FORD. Will the majority leader yield for just a moment?

Mr. DOLE. Sure.

Mr. FORD. We are doing our best to try to put things together. I understand the push. I understand getting out in 30 minutes and coming back tomorrow. But then you have a cloture petition filed. That ripens Saturday. So we are trying to put it together, and people understand that. The amendments that we have there, the new entrants, are the ones that are the amendments that basically have been agreed to. We have been trying to put—

Mr. DOLE. On your side.

Mr. FORD. On our side. We are trying to put it together where we can get that agreement. It becomes very difficult. We understand that there is no budget out here. We are trying to get rescissions in this year's allowances. That cuts off a lot of money for people that already started work. It does make it a little bit difficult.

I wanted to assure the majority leader that we are working. We are sweating trying to agree to what he is offering here. I just wanted to assure him. There was not anyone else out here to take it up.

Mr. DOLE. I am not quarreling with the Senator from Kentucky.

I will give you one example. The Senator from Mississippi, Senator COCHRAN, has been following the Women, Infants, and Children program, WIC, very carefully. He is very sensitive to that program. So we are adding back $35 million, which he says we cannot spend, just cannot spend it. But you know we added it back. So I assume it will not be spent. So it is not really an add-on. I am certain there are other programs which are the same.

But all I am suggesting is I think we are very, very close to getting this done, except for these new add-backs that I was not aware of, and then some of the deductions that have gone on that I was not aware of. So, hopefully, we can resolve those matters very quickly. And one way to do it quickly is to get Members to give us a time agreement.

I wonder if we not in a position to get a time agreement on the BRYAN-BUMPERS amendment so we can move on to some other amendments and so we are not just wasting our time waiting for the Senator from Arkansas to give us permission to proceed. Is there another amendment that we can proceed to?

Mr. BRYAN. I have just been informed that Senator BUMPERS should be here momentarily. Once he gets here, I am can assure the leader that we are prepared to proceed and enter into a time agreement.

Mr. DOLE. Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mrs. HUTCHISON). The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

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

Mr. DOLE. Madam President, I ask unanimous consent that there be 30 minutes equally divided on the BRYAN-BUMPERS amendment. In fact, we are prepared to give Senator BRYAN 20 minutes as the proponent of the amendment and we will take 10 on this side.

Mr. BRYAN. I thank the majority leader. That is agreeable.

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

Mr. BRYAN addressed the Chair.

The PRESIDING OFFICER. The Senator from Nevada.

AMENDMENT NO. 461 TO AMENDMENT NO. 420

(Purpose: To eliminate funding for the market promotion program)

Mr. BRYAN. Madam President, I have an amendment at the desk, and I ask for its immediate consideration.

The PRESIDING OFFICER. Without objection, the pending amendment will be set aside, and the clerk will report.

The bill clerk read as follows:

The Senator from Nevada [Mr. BRYAN], for Mr. BUMPERS, for himself and Mr. BRYAN, proposes an amendment numbered 461 to amendment No. 420.

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

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

The amendment is as follows:

Strike lines 3–7 on page 4 of the Committee substitute, and insert in lieu thereof the following: ''deleting '$85,500,000' and by inserting '$0.' ''

Mr. DASCHLE addressed the Chair.

Mrs. BOXER. Madam President, I have a parliamentary inquiry, if I might.

The PRESIDING OFFICER. The Senator from Nevada has the floor.

Mr. BRYAN. I yield for the purposes of parliamentary inquiry. Will that be on our time?

The PRESIDING OFFICER. Yes. The Senator is correct.

Mr. DOLE. Madam President, the Senator can have 5 minutes; 10 in opposition, and take 5.

Mrs. BOXER. That is quite satisfactory. So the agreement is that the Senator from California would have 5 minutes, and the Senator from——

Mr. DOLE. Wherever.

Mrs. BOXER. Wherever can have 5 minutes.

Mr. BRYAN. Is that satisfactory to the Senator from California?

Mrs. BOXER. Yes.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. BRYAN. I yield myself 7 minutes, Madam President.

Madam President, this year Ralston-Purina will spend $13 million to advertise its Chex brand cereal, and Brown–Forman Corp. has budgeted $20 million to help sell California Cooler, and last year McDonald's spent $7.7 million in advertising in Singapore alone.

The question arises, what do all of these companies have in common besides each having multimillion-dollar advertising budgets? The answer is that they are all recipients of taxpayer funds which is known as the Market Promotion Program. This program was started in 1986 to promote American agricultural produce.

Let me just say a word by way of background. The amendment which the Senator from Arkansas and I have presently before the floor will zero out funding for this program for this year. Last year, the appropriators came up with $85 million for this Market Promotion Program, and in the legislation we are acting on this evening, they have increased the appropriation level to $110 million.

In my view, this program, which I am going to describe very briefly in a moment, is corporate welfare. We have debated in this session of the Congress where we can make cuts in the budget. We have talked about Women, Infants, and Children and school nutrition programs. Everything seems to be on the table except the sacred cow of American agriculture, the Market Promotion Program.

Very briefly, Madam President, the history of this program dates back a number of years. Currently, we are spending in the neighborhood of $3.5 billion in America on export promotion—$3.5 billion. Of that sum, $2.2 billion is set aside specifically for agricultural promotion.

Now, to put this in context, 63 percent of all the money that we are spending for export promotion in America is devoted to agriculture. Agriculture represents about 10 percent of the foreign exports from America. So it is my view that is a disproportionate, indefensible amount. But let us put that aside for the moment. We can debate the merits or demerits of spending $2.2 billion in agricultural promotion. I am talking about the Market Promotion Program. This is a program which, as I have said, is corporate welfare. It is the equivalent of food stamps

for the largest corporations in America.

The way this program works is that advertising budgets of some of the large corporations in America are supplemented by taxpayer moneys. Now, Conagra, a good company, makes the kind of products that are household names in America: Country Pride, Chung King, Wesson, Butterball, Swift, Peter Pan, Armour, Banquet, Swiss Miss. Since 1986, this company has received in taxpayer dollars $826,000. This company has, by 1994 financial data, $462 million in net profits. The advertising budget is $200 million. The CEO receives compensation of $1.229 million annually. How in God's world do we justify, Madam President, spending taxpayer dollars to supplement this program? This is a company that is large; it is successful; and they can effectively handle their own advertising and promotion budget.

Jack Daniels, a product that is familiar to many of us, $2.41 million is what they have received through the Market Promotion Program and its immediate predecessor, TEA [Targeted Export Assistance]. The 1994 financial data: Net profits of $146 million, an advertising budget of $74 million, CEO compensation of $703,000.

Again, Madam President, I suggest that it is indefensible to call upon the American taxpayer to subsidize a company of this size.

McDonald's. Who among us does not enjoy a Big Mac? I know I do. But this is a company that has received, since 1986, $1.6 million, taxpayer dollars, all taxpayer money, to supplement a company that makes a net profit, according to the 1994 data, of $1.2 billion, that has an advertising budget of nearly $700 million, and CEO compensation of $1.78 million.

In addition to this, it is not only American companies that receive it. Here is a list—not a complete list—of foreign companies that receive money from the American taxpayer.

The point to be made is that at a time when we are making some very tough budget cuts—very tough budget cuts—we are talking about the most vulnerable in our society who have been asked to step forward, whether it is the WIC program, or whether it is school nutrition, or aid to our schools in terms of drug assistance.

All of these programs have been hotly debated, but for some reason these agriculture programs are sacrosanct. It is time to eliminate these programs. First of all, they are indefensible in terms of taxpayer dollars being used to subsidize them. And secondly, there is a question as to its effectiveness.

The General Accounting Office has done an evaluation, and they find a number of problems with this program. Number one, it is not clear whether the taxpayer dollars that are going into the advertising budget simply are being exchanged for advertising money that is already in the corporate budget.

Secondly, there is no criteria as to who is eligible—big company, small company.

Third, there is no criteria as to how long you stay in. Do you get in and stay forever?

Now, there has been at least one reform that has been added that you have to get out in 5 years. But that is 5 years from 1994, and that means some of these companies have been in this program since its origin.

There is no objective statistical data, absolutely none, to suggest or to prove that in fact these dollars have assisted our export promotion program. Madam President, I remind my colleagues that we are spending separate and apart for this one agricultural promotion $2.2 billion. Now, you will recall agricultural exports represent 10 percent of the exports from America. We are spending 63 percent of a total of $3.5 billion that is being spent by the Federal Government on export promotion.

There are other brand names that are household products. I think the American taxpayer is entitled to be absolutely outraged when you look at some of these companies, highly successful companies. I have no quarrel with the companies. My quarrel with them is the fact that American taxpayer dollars are subsidizing the corporate giants in America.

Let me just give you some more information here. Welch's, marvelous fruit juice, and others, they have received since 1986 $5.8 million; Blue Diamond, these are the folks who are involved in nuts, $37 million; Dole fresh fruit, $9 million. If the Pillsbury Doughboy looks a little chubby to you all, it is because the American taxpayer has been subsidizing his diet pretty heavily. Pillsbury, it says, received during this period of time $10 million.

So my point, Madam President, is that if we are serious about cutting the deficit, if we are serious about making the hard choices, the tough cuts, we have to begin with programs like this. Corporate welfare ought to be on the line every bit as much as the other programs which have been targeted in this Congress either for elimination or reduction.

Let me say this is not a liberal amendment nor a conservative amendment that my friend, the distinguished senior Senator from Arkansas, and I offer. This is an amendment on which those who are to the political right in America, the Cato Institute, and those who are the moderates in America, the Political Aggressive Policy Institute, have taken a look at this program and both have reached the same conclusion: This is a program that ought to be eliminated.

To conclude, Madam President, it is time to take these companies off the taxpayer dole. They are capable of fending for themselves. They have marvelous programs, sophisticated staffs. They pay their people top dollar in terms of their promotion programs. The American taxpayers ought not to be asked to spend their dollars to supplement these advertising accounts. The time for action is now.

Madam President, I yield the floor and reserve the remainder of my time.

Mrs. BOXER addressed the Chair.

The PRESIDING OFFICER. The Senator from California is recognized.

Mrs. BOXER. I thank the Chair.

I rise to oppose the amendment by my friend and colleague from Nevada. We agree on many things. This is one on which we do not agree. To zero out a program like the Market Promotion Program, which we know is working—and, when my colleague says there is no statistical proof it is working, I have other reports than he does on that matter. But to cut a program that is working to increase our exports, when we are approaching the 21st century mark and exports are crucial to our economy—and promoting those exports is certainly crucial to that—I think it would be a very radical move.

We have a budget that is coming up for review. We are going to look at this program in that budget review. After we do that—and I am on the Budget Committee—as my friend knows, we are going to take a real hard look at all of these things in the various authorizing committees and, of course, in the Appropriations Committee. But to take this move today to eliminate this program, I hope that we will not go along with it.

The Marketing Promotion Program is an important tool in expanding markets for U.S. agricultural products from California to many other countries in the world.

We talk today about redirecting farm spending away from price supports. I support that. I think we should move away from price supports. But we also should work toward expanding markets. I think it makes a lot of sense to do that.

My friend from Nevada says there is no statistical data to show that the Marketing Promotion Program is working. I would like to call to his attention a U.S. Department of Agriculture study. They estimate that each marketing promotion dollar results in an increase in agricultural product exports of between $2 and $7.

Madam President, that is a very good return on our money. Indeed, any business person would say if you put $1 in and it results in $2 of increased sales and even up to $7 in increased sales, that is a very sound program.

And my colleague talks about large beneficiaries. Well, I think he is overlooking the number of small beneficiaries. We have seen much-needed assistance to commodity groups comprised of small farmers who are unable to break into those markets on their own. And I think that is a very important point.

I have been to the fertile valleys of California. I have met with those small farmers. I have seen those family farms. And alone they do not have

much power. But they come together as cooperatives, and they work together as marketing groups, and with the Market Promotion Program they have been successful in breaking into the export markets.

So I think it is fair to say to my friend that the small growers and the small farmers have benefited greatly. And that is one of the intentions of the program.

I also want to point out to my friend that last year a task force of the U.S. Agricultural Export Development Council met for 2 days in Leesburg, Virginia. Their function was to review the role of the Marketing Promotion Program and other agricultural programs as part of our overall trade policy. The task force concluded that the purpose of the Marketing Promotion Program is to ''increase U.S. agricultural product exports.'' It also concluded that the increase in such exports helps to ''create and protect U.S. jobs, combat unfair trade practices, improve the U.S. trade balance, and improve farm income.''

And I am directly quoting from that meeting.

So I would say to my friend, although he has not found any documentation that this program works and it helps us and, in fact, is a wise investment, there are certainly other groups that have found that it is a wise investment. And it should be supported.

I would like to say to my friend, in closing, that we should look at what other countries do. Sometimes we do not look at the fact that other countries push for their exports, push for their agricultural products, promote their products, and fight for their products. And what do we do sometimes? We walk away from a program like this and let our people twist in the wind.

Madam President, I see my time is up.

I ask unanimous consent to have 1 additional minute.

The PRESIDING OFFICER. Is there objection? If not, so ordered.

Mrs. BOXER. Thank you very much, Madam President.

I will conclude here. I think that we would be making a big mistake, as we move toward this global marketplace, to walk away from the Marketing Promotion Program. Our competitors have programs that do far more for their agricultural products than we do. And there is a reason. They understand that exports are key to any country's success as an economic power.

We do not have a level playing field out there. That is clear. So I hope that my friend would agree with me that there is no level playing field, and other countries are out there pushing hard for their products, helping their farmers to push exports. This is our only program that does that.

I hope we will defeat his amendment.

I yield the floor at this time.

The PRESIDING OFFICER. The Senator from Nevada has 10 minutes 39 seconds remaining.

Mr. BRYAN. I yield to the Senator from Arkansas whatever time he wishes.

Mr. BUMPERS. How much time remains for the proponents?

The PRESIDING OFFICER. Ten minutes 31 seconds.

Mr. BUMPERS. Madam President, I will yield myself such time as I may use, which I hope will be less than 10 minutes.

The PRESIDING OFFICER. The Senator from Arkansas is recognized.

Mr. BUMPERS. First of all, I want to thank my colleague and very good friend, Senator BRYAN, of Nevada, for his unstinting efforts in this.

In 1993, Congress directed GAO to prepare a report on the effectiveness of the Market Promotion Program. The report that came back was less than satisfactory. Subsequently, for Fiscal Year 1994, we cut MPP from $147.7 million to $100 million. In Fiscal Years 1991 and 1992, the funding level had been at $200 million.

Last year, as Chairman of the Appropriations Subcommittee on Agriculture and Rural Development, I made every effort to eliminate this program. However, the distinguished Senator from Washington, Mr. GORTON, was successful in reinstating the program, both in the committee and on the floor.

Madam President, I do not see how we can go through the agony we have been going through in here in trying to cut spending, particularly in light of the fact that we are cutting spending for school lunches and for the Corporation for Public Broadcasting and for a host of other things which, in my opinion, have great merit and go right to the heart and soul of America. How we can cut spending for them and actually add nearly $25 million to the Market Promotion Program? It was at $85.5 million for Fiscal Year 1995 and it now stands, by virtue of the bill now before the Senate, at $110 million.

Senator BRYAN and I now propose to eliminate the Market Promotion Program and apply the savings toward deficit reduction. We are not setting it aside for something else. I would love to take this and put it in the Corporation for Public Broadcasting, but we chose to offer this amendment and apply the $110 million for pure deficit reduction.

I do not believe any member of this body should be able to keep a straight face and support some of the measures we are voting for when we cannot kill a program, like MPP, that is a pure subsidy for some of the biggest corporations in America and abroad. If we were solely promoting an industry, an industry-wide product or an agricultural product, as we do in the Export Enhancement Program, it might make a little sense. But we are promoting brand loyalty. With MPP, we are using federal funds to promote a large number of popular retail items that most of us know as household words. MPP funds have been used to promote McDonalds' products, Gallo Wines, and several popular items produced in my State which we can all easily identify in grocery stores across the Nation.

Look down the list of the people who benefit from this—143 foreign firms. You inquire, what on Earth are we doing spending American taxpayers' money subsidizing foreign companies and promoting their brand loyalty? The answer: They use some American products. So if foreign companies that use our products want to advertise their brand and create a brand loyalty, we give them money, too.

And, in addition to 143 foreign corporations, Madam President, over 700 American corporations participate in this program just last year alone.

I am not blaming them. When Uncle Sam throws a big trough full of money out and says, come and get it, if I were one of these corporations and I had a foreign presence, as most of them do, I would get up there and apply for it, too.

Now, Madam President, I started off saying that the 1993 GAO report gave us reasons to question the validity of this program. More recently, another GAO report was prepared which I received in March of this year, just a couple of weeks ago.

No Senator should vote on this amendment until they look at the March 1995 GAO report.

Here is what they say, and this is the meat of the whole argument:

> The Foreign Agricultural Service has no assurance that marketing promotion funds are supporting additional promotional activities rather than simply replacing company industry funds.

The GAO did not just reach that decision without substantial program review. They studied it, and they said there is no evidence that this money is going for additional promotional activities that the companies themselves would not spend if we torpedoed this program. You cannot find a more compelling reason to vote for anything around here than a GAO report offers findings such as this.

If we were going to champion a program such as this—and I am not prepared to do that yet—it ought to be for small business, or companies new to market U.S. agricultural products abroad. Not big businesses that have been in the export business for years.

So, Madam President, I hate to use the term corporate welfare because big corporations make a contribution to this country, although members of the national press have not hesitated to attach that label to some results of the Market Promotion Program. I am not blaming them for standing at the trough and getting this money. There are 716 domestic and 143 foreign firms that received MPP funds in Fiscal Year 1994, and some of these are among the largest commercial enterprises in the World. Look down the list. It is shocking.

Here is an opportunity to save $110 million, of which it can be argued that the farmers of this nation are only the indirect beneficiaries, if even that; $110 million in genuine deficit reduction, much of which will otherwise go to some of the most affluent companies we know.

I listened to some Senators on the other side of the aisle 2 evenings ago talking about pork, talking about the Corporation for Public Broadcasting being an outrageous waste of the taxpayers' money. Here is an opportunity for everybody to quit talking and making partisan points. We need to make better use of our limited federal resources. We should join hands and eliminate this funding and allow these large companies to float free and easy on their own and spend their own money.

Madam President, I yield the floor and reserve the remainder of time that the distinguished Senator from Nevada has.

Mr. COCHRAN. What is the situation with the time? How much time remains on each side, allocated to individual Senators?

The PRESIDING OFFICER. The Senators in opposition have 5 minutes; the proponents have 3 minutes 28 seconds.

Mr. COCHRAN. I thank the Chair.

Mr. BRYAN addressed the Chair.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. BRYAN. How much time on our side is left?

The PRESIDING OFFICER. Three minutes 28 seconds.

Mr. BRYAN. Madam President, let me, in the interest of moving this debate forward, just express my appreciation to the distinguished Senator from Arkansas for his efforts and make just a couple of brief points, if I may.

He made the observation, which is absolutely correct, that there are 140 foreign companies. Here is a partial list of them right here. Some of the names you may know and some, frankly, I have never heard of, but 140.

To make the point that the distinguished Senator from Arkansas was making, from 1986 to 1993, 20 percent—20 percent—of the budget for this program for branded advertising—that is the McDonald's and the rest of it—goes to foreign companies. Twenty percent, American taxpayer dollars. I do not know how you justify and how you support that.

The other point that I would like to make is the GAO report that the distinguished Senator makes reference to has a very interesting piece of testimony, and that is, one of the recipients of the program was asked by the auditors, ''How did you all become involved in the program?''

''Well,'' she said, ''we got a phone call. They said, 'Would you like to get some money?'''

As the Senator from Arkansas said, I do not fault the company.

She said, ''Tell me how.''

''Look, we are passing out money on this program called the Market Promotion Program,'' and, indeed, the company did. The company, Newman's Own, Paul Newman's food company. They just got a call which said, ''Look, would you like help for your advertising bills? We will reimburse you.''

This was the testimony of A.E. Hotchner, from Newman's Own.

''We would be delighted to take it.'' As the Senator from Arkansas made the point, number one, it has not been established that it has accomplished its desired purpose. It is not effective. Is that not a prime reason to zero it out? And secondly, philosophically, I must say, Madam President, it sticks in my craw. Companies like this, and good companies—I am not maligning these companies—would get into the public trough and get this kind of taxpayer dollar when everybody in this Congress has talked a pretty good talk about reducing the deficit.

This ought to be a no brainer. This is not a difficult decision. This is one in which we should say these companies ought to have the ability to fly on their own.

I yield the floor and reserve any time I may have left.

The PRESIDING OFFICER. The Senator has 31 seconds left.

Mr. COCHRAN. Madam President, I yield myself such time as I may consume.

The PRESIDING OFFICER. The Senator from Mississippi is recognized.

Mr. COCHRAN. Madam President, first of all, let me say putting the sign of McDonald's on the floor of the Senate and suggesting this program is designed to subsidize McDonald's, or any other particular firm, is an outrageous distortion of this program.

Let me read to you a memo written by the Poultry and Export Council about the McDonald's issue. It says in part:

> Yes, our Council has used MPP to help McDonalds sell more American chicken—but not to promote McDonalds. The facts are that McDonalds franchises in other countries are foreign owned and operated. They are under no obligation to buy U.S. poultry or eggs and can readily find lower priced (and lower quality) product in Thailand, Malaysia or elsewhere.
>
> But by allowing McDonalds to apply for and receive matching funds under MPP, requires their franchisees to be entirely supplied with U.S. products. The point is, we are NOT promoting McDonalds, we are getting McDonalds to advertise U.S. chicken and eggs. And it has been quite effective. In fact, the state of Arkansas has likely benefited more from this activity than any other state.

The point is this: The market promotion funds are made available almost 97 percent to non-profit and related U.S. trade associations, including state departments of agriculture. The National Cattlemen's Association says these funds have helped them break into the market in Japan, in Korea, and build market share.

We have seen the funds used in other countries for the same purpose, to try to overcome barriers to U.S. trade. The program has helped farmers, it has created jobs in America, and it has benefited every community.

I ask unanimous consent, Madam President, to print a copy of a letter from the Coalition to Promote U.S. Agricultural Exports in the RECORD, which shows a listing of all of the agriculture and farm commodity groups in America that benefit from this program because they can sell what they produce more effectively with this program's promotion money in overseas markets when they have to combat the unfair and competitive subsidies from other countries.

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

COALITION TO PROMOTE
U.S. AGRICULTURAL EXPORTS,
Washington, DC, March 28, 1995.

Hon. THAD COCHRAN,
U.S. Senate,
Washington, DC.

DEAR SENATOR COCHRAN: We are writing to urge your continued strong support for maintaining and strengthening funding for USDA's export programs, including the Market Promotion Program, when the Senate takes up the FY 1995 supplemental appropriation and rescissions package.

As approved by the Senate Appropriations Committee, the package includes $24.5 million to restore funding for USDA's Market Promotion Program to its authorized level of $110 million. Such an increase, we believe, sends a strong and positive message that U.S. Policies and programs will remain equally competitive with those of other countries as allowed under the Uruguay Round GATT Agreement.

For this reason, we are very concerned over possible amendments to reduce or even eliminate funding for the entire program when the package comes to the Senate floor. Such action would be devastating to U.S. interests—especially in the face of continued subsidized foreign competition.

The GATT agreement, it should be emphasized, did not eliminate export subsidies, it only reduced them. The European Union (EU), which outspent the U.S. by 6 to 1 over the last 5 years, will be able to more than maintain its historical advantage. As export subsidies are reduced, they and other competitors can be expected to redirect much of those resources into other GATT allowable programs, including market development and promotion, to maintain and expand their share of the world market.

In fact, the EU and other competitors, including Australia, Canada and New Zealand, are moving aggressively with their farmers and ranchers, and other exporters, in support of market development and promotion efforts. According to USDA, total expenditures for such activities are estimated at nearly $500 million—well above similar expenditures by the U.S. and are expected to increase.

American agriculture is the most competitive in the world. But, it is not enough to be economically competitive. U.S. policies and programs also must be competitive. Many of us supported the Uruguay Round agreement because of assurances that U.S. policies and programs would continue to be maintained and aggressively implemented to the full extent as allowed under GATT and U.S. law. Without this commitment, America's farmers and ranchers will be at a substantial disadvantage in the new global trade environment.

U.S. agriculture exports, which are projected to reach as high as $48.5 billion this year, account for as much as one-third of total production. In addition to helping strengthen farm income, exports are vital to our nation's economic well-being as highlighted below:

Jobs—Nearly one million Americans have jobs which are dependent on agriculture exports. A 10 percent increase in exports would help create as many as 100,000 jobs.

Economic Growth—U.S. agriculture exports help generate approximately $100 billion in economic activity and account for $8 billion or more in federal tax revenues.

Balance of Payments—U.S. agriculture exports result in a positive trade balance of nearly $20 billion. Without agriculture, the U.S. trade deficit would be even higher.

Again, such economic benefits can only be maintained to the extent that U.S. policies and programs remain competitive with those of our foreign competitors. America's farmers and ranchers, and others engaged in international trade, can not and should not be required to compete alone against the treasuries of foreign governments.

USDA's Market Promotion Program has been and continues to be an important element in our nation's trade strategy and in helping U.S. agriculture build, maintain and expand export markets in the face of continued subsidized foreign competition. As a cost-share program, it has been extremely cost effective with farmers and ranchers, along with other participants, required to contribute as much as 50 percent of their own resources in order to be eligible. It has also been highly successful by any measure.

For these reasons, we urge your continued strong support and that you oppose any amendment which would reduce or eliminate funding for this important program.

Sincerely,

AG PROCESSING, INC.
ALASKA SEAFOOD MARKETING INSTITUTE.
AMERICAN FARM BUREAU FEDERATION.
AMERICAN FOREST & PAPER ASSN.
AMERIAN HARDWOOD EXPORT COUNCIL.
AMERICAN MEAT INSTITUTE.
AMERICAN PLYWOOD ASSOCIATION.
AMERICAN SEED TRADE ASSOCIATION.
AMERICAN SHEEP INDUSTRY ASSN.
AMERICAN SOYBEAN ASSOCIATION.
BLUE DIAMOND GROWERS.
CALIFORNIA AVOCADO COMMISSION.
CALIFORNIA CANNING PEACH ASSN.
CALIFORNIA KIWIFRUIT COMMISSION.
CALIFORNIA PISTACHIO COMMISSION.
CALIFORNIA PRUNE BOARD.
CALIFORNIA TABLE GRAPE COMMISSION.
CALIFORNIA TOMATO BOARD.
CALIFORNIA WALNUT COMMISSION.
CHERRY MARKETING INST., INC.
CHOCOLATE MANUFACTURERS ASSOCIATION.
DIAMOND WALNUT GROWERS.
DOLE FRESH FRUIT COMPANY.
EASTERN AGRICULTURAL AND FOOD EXPORT COUNCIL CORP.
FARMLAND INDUSTRIES.
FLORIDA CITRUS MUTUAL.
FLORIDA CITRUS PACKERS.
FLORIDA DEPARTMENT OF CITRUS.
GINSENG BOARD OF WISCONSIN.
HOP GROWERS OF AMERICA.
INTERNATIONAL AMERICAN SUPERMARKETS CORP.
INTERNATIONAL APPLE INSTITUTE.
INTERNATIONAL DAIRY FOODS ASSOCIATION.
KENTUCKY DISTILLERS ASSOCIATION.
MID-AMERICA INTERNATIONAL AGRI-TRADE COUNCIL.
NATIONAL DRY BEAN COUNCIL.
NATIONAL GRAPE COOPERATIVE ASSOCIATION, INC.
NATIONAL ASSOCIATION OF STATE DEPARTMENTS OF AGRICULTURE.
NATIONAL CATTLEMEN'S ASSN.
NATIONAL CONFECTIONERS ASSN.
NATIONAL CORN GROWERS ASSN.
NATIONAL COUNCIL OF FARMER COOPERATIVES.
NATIONAL COTTON COUNCIL.
NATIONAL MILK PRODUCERS FEDERATION.
NATIONAL PEANUT COUNCIL OF AMERICA.
NATIONAL PORK PRODUCERS COUNCIL.
NATIONAL POTATO COUNCIL.
NATIONAL RENDERERS ASSOCIATION.
NATIONAL SUNFLOWER ASSOCIATION.
NATIONAL WINE COALITION.
NORPAC FOODS, INC.
NORTH AMERICAN EXPORT GRAIN ASSOCIATION.
NORTHWEST HORTICULTURAL COUNCIL.
OCEAN SPRAY CRANBERRIES, INC.
PRODUCE MARKETING ASSOCIATION.
PROTEIN GRAIN PRODUCTS INTERNATIONAL.
SIOUX HONEY ASSOCIATION.
SOUTHERN FOREST PRODUCTS ASSN.
SOUTHERN U.S. TRADE ASSOCIATION.
SUN-DIAMOND GROWERS OF CALIFORNIA.
SUNKIST GROWERS, INC.
SUN MAID RAISIN GROWERS OF CALIFORNIA.
SUNSWEET PRUNE GROWERS.
THE CATFISH INSTITUTE.
THE POPCORN INSTITUTE.
TREE FRUIT RESERVE.
TREE TOP, INC.
TRI VALLEY GROWERS.
UNITED EGG ASSOCIATION.
UNITED EGG PRODUCERS.
UNITED FRESH FRUIT AND VEGETABLE ASSOCIATION.
USA DRY PEA & LENTIL COUNCIL.
USA POULTRY & EGG EXPORT COUNCIL.
USA RICE FEDERATION.
U.S. FEED GRAINS COUNCIL.
U.S. LIVESTOCK GENETICS EXPORT, INC.
U.S. MEAT EXPORT FEDERATION.
U.S. WHEAT ASSOCIATES.
VODKA PRODUCERS OF AMERICA.
WASHINGTON APPLE COMMISSION.
WESTERN PISTACHIO ASSOCIATION.
WESTERN U.S. AGRICULTURAL TRADE ASSOCIATION.
WINE INSTITUTE.

Mr. COCHRAN. Madam President, let me give one example. The European Community this year is going to spend $89 million just promoting wine exports and subsidizing wine exports, a lot of that into the U.S. This entire program is $85.5 million, and the sponsors of this amendment are trying to knock out every dollar of it. We are not going to have any funds left to help combat the unfair and heavily subsidized trading practices of foreign countries if you take away this tool.

I am hoping that we can increase the funding. It used to be $200 million a year, and because of cuts in this and other programs, we had to downsize the program. It is now only $85.5 million, and they are trying to take away that.

The President and the administration requested additional funds to help companies, to help farm groups and State departments of agriculture deal with these competitors, to increase their market share. The administration asked for an increase from $85.5 million to $110 million, and this committee recommended it, the Appropriations Committee agreed to it, and we ought to approve it.

I am hoping the Senate will reject this amendment. I yield whatever time remains to the Senator from the State of Washington.

The PRESIDING OFFICER. The Senator from Washington has 1 minute 7 seconds.

Mr. LEAHY. Mr. President, I would like to say a few words about a program that I have not often praised in the past. The Market Promotion Program (MPP) is designed to help U.S. agricultural producers develop export markets overseas.

Most people do not associate Vermont with agricultural exports, but in fact the state exported almost 122 million agricultural products in 1994. The food products industry is the fastest growing sector of the state's economy. And profitable value added products make up a good part of that total.

In my state, the Market Promotion Program has fulfilled its potential to help small companies develop a niche in foreign markets. Thanks to the program Mexicans have discovered the joys of Vermont maple syrup, Canada is importing Vermont cheesecakes, Bermudans are drinking our cider and finding that they like it, and our friends in the United Kingdom are eating MacIntosh apples they never even knew Vermont produced.

Through MPP, the Vermont Department of Agriculture is introducing Vermont companies to new opportunities in Europe, Canada, Asia and Latin America. During the next year, Vermont companies will be participating in trade missions and export seminars in Hong Kong, Guangzhou, Canada, Brazil and Mexico. These opportunities would not be available to Vermont agriculture without the MPP.

Unfortunately MPP dollars are not always as well spent. As Chairman of the Senate Agriculture Committee, I held oversight hearings on MPP that uncovered a number of problems with USDA's management of the program. And, in 1993 I worked for real reform of the program to correct the abuses that were reducing MPP to a massive corporate welfare program.

The Market Promotion Program has come a long way from where it was 3 years ago. The Clinton Administration has reformed the program to curb abuses and focus the program where it should always have been targeted—toward small businesses. MPP is far from perfect. We must continue to look for ways to put scarce dollars where they are needed the most. But eliminating the program is not the way to do it.

Mr. GORTON. Madam President, I find it simply incredible that almost the only suggestion for the reduction in funds that we get from Members who, by and large, have been voting to increase funds for all sorts of income transfer purposes is to take away funds that help the United States sell its agricultural products abroad.

This program does more to benefit hard-working American farmers and food processors than almost any other program we have.

It helps to deal with a terrible deficit in our trade balance, the largest this country has ever had. It is a more positive impact on what we do to produce money for our farmers, for the people who work for them, for those who process food, than practically any other program.

By all means, we should not turn down the opportunity to help our economy become more and more competitive. We should reject this amendment.

Mr. COCHRAN. Madam President, is there time left in opposition to the amendment?

The PRESIDING OFFICER. All time has expired. The Senator from Nevada has 30 seconds remaining.

Mr. BRYAN. Thank you, Madam President.

Let me just say in response to my friends on the other side of this proposition, I am not arguing with the distinguished Senator from Arkansas that no agricultural promotion is defensible or justified.

We are spending $2.2 billion—$2.2 billion—on agriculture promotion for exports aside from this program. What I am saying is this particular program that subsidizes the wealthiest corporations in America cannot be defended, particularly when we are spending $12.2 billion, 63 percent of all the money spent for promotion around——

The PRESIDING OFFICER. All time has expired.

Mr. COCHRAN. Madam President, I move to table the amendment offered by Senators BRYAN and BUMPERS and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. Under the previous order, the question is on agreeing to the motion to table amendment No. 461 offered by the Senator from Nevada [Mr. BRYAN]. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. LOTT. I announce that the Senator from North Carolina [Mr. HELMS] is necessarily absent.

Mr. FORD. I announce that the Senator from Maryland [Ms. MIKULSKI] is necessarily absent.

I further announce that, if present and voting, the Senator from Maryland [Ms. MIKULSKI] would vote ''nay''.

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

The result was announced—yeas 61, nays 37, as follows:

[Rollcall Vote No. 130 Leg.]

YEAS—61

Akaka	Exon	McConnell
Ashcroft	Feinstein	Moseley-Braun
Baucus	Ford	Murkowski
Bennett	Frist	Murray
Biden	Gorton	Nunn
Bond	Gramm	Packwood
Boxer	Grams	Pressler
Breaux	Grassley	Pryor
Burns	Hatch	Robb
Campbell	Hatfield	Shelby
Coats	Heflin	Simon
Cochran	Hutchison	Simpson
Cohen	Inouye	Snowe
Conrad	Jeffords	Specter
Craig	Johnston	Stevens
D'Amato	Kassebaum	Thomas
Daschle	Kempthorne	Thurmond
DeWine	Kerrey	Warner
Dole	Kohl	Wellstone
Domenici	Leahy	
Dorgan	Lott	

NAYS—37

Abraham	Graham	McCain
Bingaman	Gregg	Moynihan
Bradley	Harkin	Nickles
Brown	Hollings	Pell
Bryan	Inhofe	Reid
Bumpers	Kennedy	Rockefeller
Byrd	Kerry	Roth
Chafee	Kyl	Santorum
Coverdell	Lautenberg	Sarbanes
Dodd	Levin	Smith
Faircloth	Lieberman	Thompson
Feingold	Lugar	
Glenn	Mack	

NOT VOTING—2

Helms	Mikulski

So the motion to lay on the table the amendment (No. 461) was agreed to.

Mr. COCHRAN. Mr. President, I move to reconsider the vote by which the motion was agreed to.

Mrs. BOXER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

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

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

Mr. DOLE. Mr. President, let me advise my colleagues I think we may have an agreement here if we can have everybody's cooperation, and we may be able to finish this bill tonight and we may be able to finish all other business by voice votes including the defense supplemental, the district board, kiddie porn and whatever else might be remaining. So it would mean that my colleagues will be able to tend to other business tomorrow either here or somewhere else.

AMENDMENT NO. 577

Mr. DOLE. Mr. President, I send an amendment to the desk on behalf of myself, Senator DASCHLE, and others, and ask for its immediate consideration.

The PRESIDING OFFICER. Without objection, the pending amendment will be laid aside.

The clerk will report.

The legislative clerk read as follows:

The Senator from Kansas [Mr. DOLE], for himself and Mr. DASCHLE, proposes an amendment numbered 577.

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

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

(The amendment will be printed in today's RECORD under ''Amendments Submitted.'')

Mr. DOLE. Mr. President, I ask unanimous consent there be 30 minutes for debate on the Dole amendment to be equally divided in the usual form and that no amendments be in order during the pendency of the Dole-Daschle amendment.

The PRESIDING OFFICER. Is there objection?

Mr. HARKIN addressed the Chair.

Mr. DOLE. I am coming to the Senator's.

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

Mr. DOLE. I further ask that the following amendments be the only remaining amendments in order and limited to the following time restraints where noted, all in the usual form. And I have been advised by Senator LEVIN he will not offer the one amendment—he does have an amendment that has been worked out; an amendment by Senator WELLSTONE relating to seniors; a managers' amendment, a Hatfield/Byrd amendment; and a Harkin handback for CPB, and on that there be an up-or-down vote.

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

Mr. JEFFORDS. Reserving the right to object, Mr. President.

Mr. DOLE. Excuse me. I did not give times on those amendments: On Harkin, there will be 20 minutes equally divided; on the Wellstone amendment, 20 minutes equally divided; and the Hatfield/Byrd managers' amendment, 15 minutes equally divided.

Mr. HARKIN. Reserving the right to object.

Mr. JEFFORDS. Mr. President, reserving the right to object, I have an amendment for which I do not need more than 10 minutes which I intend to offer.

Mr. HARKIN. Mr. President, reserving the right to object, I ask the distinguished majority leader, on my amendment, I had initially asked for 20 minutes on our side. I do not know how much time the other side will take. I need 20 minutes because I have at least two other people who want to speak on it. If I can just have 20 minutes, that is fine.

Mr. DOLE. Twenty minutes and we will take 10 minutes.

Mr. HARKIN. Whatever. The amendment is not only CPB. It is also an add-back for the senior community appointment program.

Mr. DOLE. What is the total of the amendment?

Mr. HARKIN. The total of the amendment is $40 million.

Mr. DOLE. And it is offset?

Mr. HARKIN. It is offset by the cut in Radio Free Europe. Some of the money goes to get CPB back up to the inflation increase, and then some of it goes for the senior community appointment program. The Senator did not mention it, and I wanted to make sure that it was in there.

Mr. DOLE. So that will be 20 and 10, 20 minutes for Senator HARKIN and 10 minutes in opposition.

Mr. HARKIN. That is fine. My concern, when the unanimous consent was read, was that when I sent my amendment to the desk and it was also for somebody in the senior community appointment program, it would not be pulled out of order on this type of agreement.

The PRESIDING OFFICER. Is there objection?

Mr. JEFFORDS. Reserving the right to object, I am not sure where I stand, Mr. President.

Mr. JEFFORDS. Mr. President, I withdraw my objection.

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

Mr. DOLE. Mr. President, I further ask unanimous consent that, following the disposition of the above listed amendments, the Senate proceed to vote on the Hatfield substitute, to be followed by third reading and final passage of H.R. 1158, as amended, all without any intervention action or debate.

But before the Chair rules on that, I think it is best to have a colloquy at this time with the distinguished Senator from New York with reference to the amendment on Mexico, which would be critical to winding up this package this evening, as I understand from the Democratic leader and others.

So I am happy to yield to the Senator from New York.

Mr. D'AMATO addressed the Chair.

The PRESIDING OFFICER. The Senator from New York.

Mr. D'AMATO. Mr. President, I thank the majority leader.

I recognize the situation and the dilemma that the Senate finds itself in in confronting the necessity of moving forward with this bill. I recognize that we are moving up against a time deadline.

Mr. President, I am going to say now that I am not going to pursue this amendment for two reasons. Number one, I do not want to be accused of scuttling a very difficult agreement that has been worked out, where other of my colleagues have stepped back, and insist that I be the only one that goes forward.

Having said that, I want to indicate very clearly that this Senator is deeply troubled by the manner in which we are discharging our constitutional responsibility as it relates to Mexico and the attempt of this administration to help them.

And I want to help. But this Senator wants to see to it that the dollars that we are committing are used appropriately. I think at the very least we are entitled to the kind of accountability that we would be if it were a foreign aid program and even more since it is a clear circumvention of the manner in which foreign loans should be made.

To that extent, I suggest that the second-degree amendment which was offered by Senator MURKOWSKI is absolutely, totally appropriate; that the legislative initiatives undertaken by Congressman Cox should be, without question, something that is carried out in terms of making information available to us as it relates to what preceded the crisis in Mexico before it became public and the collapse of the Mexican economy. What was our role and what has been our role since then? And what do we anticipate as we move along?

Again, I will press this matter. I do not claim that the legislative initiative that I have undertaken should be adopted in its present form, but I do believe that when we are talking about sending billions of dollars, taxpayers' dollars, to a program that may or may not work—and the administration has testified before the Banking Committee that it may not work—that we have an absolute obligation to know what is taking place and how it is administered, at the very least.

I do not think that those who say this is without doubt within the administration's prerogative would deny us that. I believe that is giving tremendous latitude.

When we come back from our recess, undoubtedly billions of dollars more of American moneys will have been placed into this program. The question as to whether or not we will ever have repayment is a very legitimate question. But how far do we go, in a very important but a very risky undertaking; how far do we go before we say, ''Wait, this may not be working''? Do we leave this just in the prerogative of the Secretary of the Treasury to determine if it is working, or should we not at the very least have that information?

Mr. President, I tell the majority leader that I will move forward by way of legislation, if necessary, to at least obtain that information, obtain the facts. And, in addition thereto, if we find, and if I am not convinced, that the program is working or that there is a chance of us recovering moneys, I will then move by legislative action again to accomplish the things that I have said before on this floor and to cut off further dollars.

By the time we come back, there is no doubt in my mind that we will have committed directly from the United States probably in the area of $10 billion or more. That is a lot of money. We are working on a rescission package to try to save money. We certainly, at the very least, are entitled to know that those dollars are being used wisely, appropriately, and that there is some chance of success, a bona fide chance of success. That is what troubles this Senator.

So with that statement, I will say that I do want to accommodate my colleagues, but I also want them to know that there may be more legislation moving through this Senate, and I reserve the right, as all of us have that right, to move forward with this initiative. It will be at a time when there is legislation that may be critical, that the administration needs or that people are interested in. I will not move on a piece of legislation that is not critical and therefore be denied bringing this matter to a vote.

At some point in time, it is my belief that this Congress and this Senate should be required to vote as to whether or not we should continue this program.

Mr. President, I ask unanimous consent to withdraw the pending amendment, amendment No. 427.

The PRESIDING OFFICER. The amendment is withdrawn.

The amendment (No. 427) was withdrawn.

Mr. DOLE addressed the Chair.

The PRESIDING OFFICER. The majority leader.

Mr. DOLE. Mr. President, I think we have the agreement.

I think I did ask unanimous consent that following the disposition of the above-listed amendments, the Senate proceed to vote on the Hatfield substitute, to be followed by third reading and final passage of H.R. 1158, as amended, without any intervening action or debate.

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

Mr. DOLE. Mr. President, I want to say to the Senator from New York, I think he has raised a very important issue, and it is not going to go away. Sooner or later, Congress is going to have to become involved, because we are spending taxpayers' money. I think it is safe to say that Speaker GINGRICH and I indicated early on that we wanted to support the administration, the President. That is what we said at that time, and that is what I would say at this time, but with one caveat: We should know precisely what is happening. And I think that is the thrust of the Senator's amendment. It is an important amendment.

We have a responsibility. We are talking about $5 million here in one amendment we cannot agree on—$5 million. And you are talking about $5 billion. So I just suggest it is important, and I hope that we do not lose sight of that.

I thank the Senator for withdrawing the amendment. That will permit us to complete action on this bill, hopefully, tonight or tomorrow at some hour. I would like to do it tonight.

I ask unanimous consent that all the votes that we order be stacked, in effect, so we could have all the votes and then final passage, and then see if we cannot get some agreement to do the rest of our business by voice vote, if there is no objection to that.

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

Mr. DOLE. I also ask unanimous consent that, if there is more than one vote, any succeeding votes be limited to 10 minutes.

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

Mr. DOLE. Mr. President, I would also ask my colleagues, even though they have 20 minutes or 15 minutes, different time allotments, that I think we could save some time.

I want to thank the distinguished Democratic leader for his cooperation throughout the day and throughout yesterday, and throughout part of the night last night.

I believe we are within striking distance of concluding a bill that now totals about $16 billion in rescissions—$16 billion. This bill will go to conference and some of the issues that some people have concerns about will be raised again in the conference. Regardless of what your concern may be, if you think it is too much or too little, it can be raised in the conference.

So I thank all of my colleagues for their cooperation. I think we have made progress. I can tell you that the end is in sight.

I yield the floor.

Mr. DASCHLE addressed the Chair.

The PRESIDING OFFICER. The minority leader.

Mr. DASCHLE. Mr. President, let me also thank all of our colleagues on both sides of the aisle for their cooperation in the effort that has been made to bring us to this point. It has been a long day. There have been a lot of people who have been responsible for bringing us to this point, and I want to publicly commend them and thank them for that effort.

We still have some very big decisions to make on amendments that are going to be offered. I appreciate everyone's willingness to accommodate a debate on each one of these issues, but I do think that we are getting close, and I think that it is an agreement we can all support. Obviously, people are going to come down on either side of the issue when we come to final passage, but I think this accommodates Senators in a way that allows us to get to that point.

So I think it is a good agreement, and I hope that we can work through the amendments and get to final passage sometime tonight. I yield the floor.

Mr. LEVIN addressed the Chair.

The PRESIDING OFFICER. The Senator from Michigan.

AMENDMENT NO. 578 TO AMENDMENT NO. 420

(Purpose: To restore funds to the National Sea Grant's program on research to control and prevent the spread of aquatic nonindigenous species)

Mr. LEVIN. Mr. President, I ask unanimous consent to set aside the pending amendment and send an amendment to the desk which has been cleared by both sides, reference to which was made by the majority leader in the UC.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report.

The legislative clerk read as follows:

The Senator from Michigan [Mr. LEVIN], for himself, Mr. ABRAHAM, Mr. SPECTER, Mr. KOHL, Mr. GLENN, Mr. SANTORUM, Mr. SIMON, and Ms. MOSELEY-BRAUN, proposes an amendment numbered 578 to amendment No. 420.

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

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

The amendment is as follows:

On page 9, line 16, strike ''$13,000,000'' and insert ''$15,000,000''.

On page 9, line 12, strike ''$37,600,000'' and insert ''$35,600,000''.

Mr. LEVIN. Mr. President, I am sending this to the desk on behalf of myself, Senator ABRAHAM, Senator SPECTER, Senator GLENN, Senator KOHL, Senator SANTORUM, Senator SIMON, and Senator MOSELEY-BRAUN.

This amendment will restore $2 million to the research program on the zebra mussel, which is a pest which has infested the Great Lakes and is now spreading through the tributaries from and to the Great Lakes.

It is a very important program for the fresh water supply of this country. The reduction of $2 million will hurt the research program. Many, many States benefit by it, and the offset for the $2 million restoration comes from the NOAA construction money.

I understand that this has been accepted on both sides.

The $2 million rescission in the National Sea Grant Research Program will limit Federal, State, and university research to help stop the spread of the zerbra mussel, and other non-indigenous species.

Fifteen States' programs would likely continue efforts to educate natural resource managers as to the devastating impacts of zebra mussels if this $2 million is restored. They will study these pests' life cycles to determine when and where they are most vulnerable to pesticides or nonchemical control. The States that received funds in fiscal year 1994 besides the Great Lakes States include California, Louisiana, Massachusetts, Maryland, New Jersey, Delaware, Texas, Connecticut, and Florida.

This is not just a zebra mussels amendment. Sea Grant's Program is crucial. We need to keep cataloging the ways nuisance species reproduce. There are over 130 nonindigenous species in this country, two-thirds of which entered the country since 1959, when the St. Lawrence Seaway was opened.

Some of my colleagues may be familiar with some of the most economically damaging exotic species that industries, municipal sewerage and drinking water facilities, boaters, farmers, et cetera have been forced to confront besides the zebra mussel, such as the water milfoil, the water flea, purple loosestrife, the round Gobi, and the ruffe.

But, the zebra mussel invasion provides the most compelling reason to support research that will enable us to develop control methods and prevent infestation. The mussel has now spread to 20 States and continues to spread. Between July and September 1994, mussel densities on the southern Mississippi River increased from 10/sq meter to 40,000/sq meter.

A relatively new pest, the ruffe, is spreading throughout the far reaches of Lake Superior threatening commercial and recreational fisheries, and is heading toward Lake Erie's $800 plus million perch and walleye fishery.

The sea grant performs high-quality, peer-reviewed science. It does not duplicate other nonindigenous programs conducted by other agencies.

My bipartisan amendment would take an additional $2 million out of NOAA's construction account and restore it to NOAA's National Sea Grant Program for research on nonindigenous species.

Mr. GLENN. Mr. President, I rise to commend my colleagues from the Great Lakes region, on their efforts to restore needed funding for Sea Grant's critical research on aquatic nuisance species.

As the cochair of the Senate Great Lakes Task Force, I have worked hard to protect and restore the economic and environmental health of the Great Lakes. This aquatic ecosystem is home to nearly 30 million Americans who depend on these waters as avenues of commerce, as sources of drinking

water, and as recreational playgrounds attracting millions of visitors. Under the Nonindigenous Aquatic Nuisance Prevention and Control Act (P.L. 101–646) I sponsored in 1990, Sea Grant is authorized to conduct critical exotic species research which allows the Great Lakes to provide such a wide range of benefits.

Exotic species cause severe economic and ecological damage along our Nation's marine coasts and freshwater systems. In a surprisingly short time, the zebra mussel has spread to 20 States taking a heavy toll on biodiversity of hosting systems and forcing private and municipal waterworks and powerplants to withstand increased and costly maintenance efforts. However, Sea Grant aquatic nuisance species research is not exclusively dedicated to the zebra mussel. The restoration of $2.0 million for Sea Grant's nonindigeous species funding continues research on the serious Eurasian ruffe problem in Lake Superior which threatens the region's $4 billion fishing industry.

The increasing number of harmful nonindigenous species and their cumulative impacts continue to create growing economic and environmental burdens for the United States. Sea Grants research and outreach efforts complement other Federal programs and enable us to adopt a national approach toward stewardship of our natural resources. Reducing funding for the critical aquatic nuisance species research conducted by Sea Grant will curtail ongoing research which benefits the Great Lakes and the entire Nation.

Mr. GORTON addressed the Chair.

The PRESIDING OFFICER. The Senator from Washington.

Mr. GORTON. Mr. President, the Senator from Michigan is correct. This amendment has been accepted on this side.

Mr. LEVIN. I thank the Senator from Washington.

Mr. President, I ask unanimous consent that Senator FEINGOLD be added as a cosponsor of the amendment.

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

The question is on agreeing to the amendment.

The amendment (No. 578) was agreed to.

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

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

The motion to lay on the table was agreed to.

Mr. HARKIN addressed the Chair.

The PRESIDING OFFICER. The Senator from Iowa.

AMENDMENT NO. 579 TO AMENDMENT NO. 420

Mr. HARKIN. Mr. President, I have an amendment at the desk, and I ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Iowa [Mr. HARKIN], for himself, Mr. LEAHY, Mr. REID, and Mr. KENNEDY, proposes an amendment numbered 579 to amendment No. 420.

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

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

The amendment is as follows:

Insert after page 7, line 18:

INTERNATIONAL BROADCASTING OPERATIONS

(RESCISSION)

Of the funds made available under this heading to the board for international broadcasting in Public Law 103–317, $40,500,000 are rescinded.

On page 27, delete lines 4 through 12.

On page 36, line 10, strike ''$26,360,000'' and insert ''$17,791,000''.

On page 36, line 12, strike ''$29,360,000'' and insert ''$11,965,000''.

Mr. HARKIN. Mr. President, I understand I have 20 minutes; is that correct?

The PRESIDING OFFICER. That is correct.

Mr. HARKIN. I yield myself 10 minutes.

Mr. President, this amendment, offered on behalf of myself, Senator HOLLINGS, Senator LEAHY, Senator REID, and Senator KENNEDY, would rescind $40.5 million from the funding for the organization known as Radio Free Europe. Of that money, we would take $26 million and put it into the Corporation for Public Broadcasting in America, and the other $14 million would go for the Senior Community Service Employment Program.

Again, Mr. President, I point out that adding this money, this $26 million to the Corporation for Public Broadcasting, still leaves the CPB at $29 million less than what was appropriated last year. This does not even bring it up to the fully appropriated level. It would allow for only an inflationary increase for CPB.

But I want to point out very emphatically that this amendment does not even bring the Corporation for Public Broadcasting up to what was funded last year.

It does take $40 million out of Radio Free Europe, and I think it reflects an important historical reality; namely, the cold war is over, and it is time we take some of these old relics of the cold war and we start defunding them.

Mr. President, right now we have a lot of people who are opposing Federal funding for public radio and television in the United States. The same opponents who rail against U.S. contributions to public radio for Americans are willing to write, without question, a check of almost equal amount to fund public radio for Europeans to fight a war against an enemy that no longer exists. In short, sending U.S. taxpayer dollars abroad to fund public radio in Europe is OK, but using U.S. tax dollars to finance public radio and TV for Americans at home is not.

Our amendment attempts to correct that injustice by restoring federally financed public radio for Americans and cutting a little from U.S. financed public radio for Europeans.

I will also point out that this amendment, plus the $14 million that is in the agreement, provides for a $54 million total cut in Radio Free Europe. The Dole substitute, offered by the majority leader, had a $98 million cut in Radio Free Europe. So I am not even advocating cutting as much from Radio Free Europe as the Senator from Kansas did in his first proposal. He proposed to cut $98 million out of it. We are only proposing to cut $54 million.

Even with this cut in Radio Free Europe, Radio Free Europe's funding level will be $175 million. That is $100 million more than the $75 million the administration requested for this program in fiscal year 1996.

I point out further that President Clinton, in February of 1993, proposed eliminating Radio Free Europe. He said the cold war is over; there is no use to keep funding RFE.

Opponents of the Corporation for Public Broadcasting are working to phase out public broadcasting at home and are willing to sustain that same service in Europe. Make no mistake about it, this is public broadcasting in Eastern Europe; it is paid for by U.S. taxpayers. But there are existing alternatives available to Eastern Europeans and Russians—CNN, FM radio, AM radio, in addition to the Voice of America.

Mr. President, let me recite briefly the history of Radio Free Europe. It started 40 years ago as a covert operation of the CIA broadcasting shortwave signals behind the Iron Curtain. All three of these—Radio Free Europe, Radio Liberty, and Voice of America—played a tremendous role in bringing news and information to people in Communist countries. They all played a critical role in fighting and winning the cold war.

I would never have suggested this kind of amendment if the cold war were still on, but the cold war is over. And yet our overburdened American taxpayers are still paying more than $200 million for Radio Free Europe—I have dubbed it ''Radio Expensive Europe''; it is not Radio Free Europe, it is ''Radio Expensive Europe''—plus another $100 million for the Voice of America and another $2 million for the administrative costs for the Board of International Broadcasting.

Mr. President, you will hear arguments against my amendment. They will claim that RFE provides independent broadcasting, and therefore performs a different role from the Voice of America. Who is kidding whom? Radio Free Europe, created by the Central Intelligence Agency—the board that runs it is appointed by the President of the United States.

Second, Radio Free Europe continues to be funded to this day solely by U.S. taxpayers. Why? Why not the Germans? Their mark, as we know lately, is a lot better than the U.S. dollar. Why do the Germans not come in and

pay a little bit? Why do they not pick up the tab? Or how about the French or the Norwegians or the Swedes or the Poles or the Italians? Why do they not come in and contribute?

No, it is our U.S. taxpayers footing the whole bill for Radio Free Europe. Quite frankly, Mr. President, I want to make my feelings known. I think Radio Free Europe ought to be zeroed out. But I am not proposing to do that in this amendment. I am still leaving $175 million for RFE for Fiscal 1995. I think we ought to come back and zero it out, maybe next year, but we ought to use some of this money to at least provide an inflationary increase for public broadcasting here at home, and restore funding for the senior citizen community employment program.

Mr. President, let me just talk a little bit more about the Senior Community Service Employment Program. As I said, the amendment I have offered takes $26 million for the Corporation for Public Broadcasting. It still leaves it $29 million less than what we appropriated last year. And it takes $14 million and puts it into senior community service employment, the only work force program designed to help seniors, elderly, get jobs in community service.

I suspect all Members have gone to a senior citizens center providing meal programs, and we know how much good this program does.

I ask unanimous consent to have printed in the RECORD an article from the Washington Post of January 27, 1995, titled ''A Federal Program That Does It Right,'' and I also ask unanimous consent to insert a letter from the National Council of Senior Citizens in support of this program.

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

[From the Washington Post, Jan. 27, 1995]

A FEDERAL PROGRAM THAT DOES IT RIGHT

(By Judy Mann)

Let's say you run a small company and you need a filing clerk. A 67-year-old Latino woman applies for the job and so does a newly minted high school graduate. Which one would you hire?

Precisely. And that's one of the reasons behind the Senior Company Service Program, an organization that trains low-income people 55 and older and helps them find jobs. Participants usually receive minimum wage for 20 hours of training, and then they go to work, often in community service jobs that help the elderly. Those subsidized jobs often serve as bridges into permanent positions.

By last June, the program had placed 27.3 percent of its people in unsubsidized jobs such as bookkeeping in banks, driving delivery vehicles, tutoring in schools and working as health aides. That is a higher rate than the 25 percent job placement rate in California's program for its welfare parents.

The Senior Community Service Program is the backbone for most meals-on-wheels programs and for many day-care centers in rural areas. an essential feature of the program is that it matches seniors with the service needs of each community. The program also works closely with businesses to ensure that enrollees are getting indispensable job skills.

The program is administered by the Department of Labor, which contracts with national nonprofit organizations, such as the National Council of Senior Citizens (NCSC) and the American Association of Retired Persons, to run them. About 70 percent of the enrollees are women, 56 percent are 65 or older, a third have less than a high school education and about 40 percent are members of a minority group—one of the highest rates of minority participation for any domestic program.

Chris Oladipo, who runs the NCSC program in Prince George's County, says it is particularly helpful as a bridge for older immigrants who have trouble earning a living because of language barriers.

While most employment programs operate on the premise that they get more for their money by concentrating on young people, ''we look for the oldest and poorest people we can find,'' says Andrea Wooten, president of Green Thumb Inc., which trains 18,000 people a year.

The programs have also played an important role in retraining displaced workers, says Donald Davis, who directs the programs run by the National Council on Aging. He tells the story of a professional man in San Francisco who had looked for a job for eight months after being laid off.

''We worked with him for three months. He is now heading up a multilingual program and making $30,000 a year,'' Davis says. ''Every study that's been done of this program says it is one of the most effective ever developed by the federal government.''

In the three decades since the senior community service and job training program has evolved, it has enjoyed strong bipartisan support. But it is in danger of getting caught up in the current rush to decentralize welfare programs and to fund them through block grants to states, where various programs are having to compete with each other for fewer resources.

David Affeldt, the former chief counsel with the U.S. Senate Committee on Aging who developed legislation creating the program, says it came about because block grant programs historically have not served older workers well. He predicts that, at a minimum, 15,000 to 20,000 older workers served each year ''will get their pink slips'' if the program is funded through block grants.

''One of the main problems that older workers have is that they are not as visible or outspoken about their needs. . . .The program has given these people hope and an opportunity to help themselves while helping others, rather than be dependent upon public assistance.''

The Senior Community Service Program, also known as Title V of the Older Americans Act, costs $410 million a year and is supposed to serve about 67,000 people. ''We actually serve over 100,000 people because we've used this program to get people up and out,'' ''says Sheila Manheimer, of the NCSC.

Half the members of the U.S. House of Representatives have been elected since 1992, and many are riding a streamroller called ''mandate for change'' without having a very good idea of the territory they are rolling over. The Senior Community Service Program serves the poorest of the elderly while providing a wide variety of services that make our communities livable. Far from a candidate for dismantling, this is one federal program that everyone should look to as a model of what works.

NATIONAL COUNCIL
OF SENIOR CITIZENS,
Washington, DC, March 30, 1995.

DEAR SENATOR: The National Council of Senior Citizens (NCSC), in behalf of our five million affiliated members, asks you to vote in support of Senator Harkin's amendment of H.R. 1158, the 1995 Rescission bill. This amendment is expected to come before the full Senate today and your support would be appreciated by seniors and families throughout the nation.

This amendment would restore funding to many programs important to the elderly, children and our communities, including the Senior Community Service Employment Program (SCSEP), the Child Care Block Grant, the Safe and Drug Free Schools Program, Drug Courts and the Corporation for Public Broadcasting.

The Council is particularly concerned about the $14.4 million rescinded under H.R. 1158 from the Senior Community Service Employment Program. The SCSEP designs needed community service programs and provides subsidized training and part-time employment which maximizes the productive contributions of older persons in these community services. Senator, please note that the $14.4 million rescinded under H.R. 1158 would result in the loss of jobs for almost 3,000 low-income senior citizens now staffing community service programs nationwide under Title V of the Older Americans Act.

In a January 27 article in *The Washington Post*, which I have attached, Judy Mann said it best when she said, ''Far from a candidate for dismantling, this is one Federal program that everyone should look to as a model of what works.'' Every study has shown the SCSEP to be one of the most effective programs ever developed by the Federal government.

Again, please do right by the elderly, young and our communities by supporting Senator Harkin's amendment restoring funding to these critical programs. Short of the changes included in Senator Harkin's amendment, the Rescission bill does not merit support.

Sincerely,

LAWRENCE T. SMEDLEY,
Executive Director.

Mr. HARKIN. Mr. President, how much time is remaining?

The PRESIDING OFFICER. There are 2 minutes of the 10 minutes allotted yourself and another 10.

Mr. HARKIN. I yield 2 minutes or whatever more he needs to the Senator from Vermont.

Mr. LEAHY. Mr. President, the amendment Senator HARKIN and I are offering would partially restore cuts to public radio and television by reducing the appropriation for Radio Free Europe.

Radio Free Europe [RFE] is a World War II program, designed to broadcast news to people living behind the Iron Curtain.

News flash—The Iron Curtain has fallen.

The Cold War is over. While the rest of the world is moving ahead with satellite communication and other technological advances, we are still using U.S. tax dollars to support broadcasts by shortwave radio.

I find when I go on the internet, I can reach people in Eastern Europe. I think I can reach them quicker on internet than by shortwave radio on Radio Free Europe.

I really cannot see, when we are cutting out our own public broadcasting, why we are paying for this in Germany.

We are shortchanging an American audience in deference to overseas listeners.

Our amendment cuts $40.5 million from what U.S. taxpayer is currently paying to support Radio Free Europe. This will still leave $175 million for RFE.

The Corporation for Public Broadcasting would receive $26 million of this savings.

This is not a total restoration of the cuts in this bill for public television and radio—we understand that tough choices have to be made. This restoration will support CPB at the 1995 level with a small increase to compensate for inflation.

Continuing public television and radio programs are especially important in rural areas where residents might not be able to afford or have access to cable programs.

I hear from hundreds of Vermonters each week on how important Vermont ETV and Vermont Public Radio are to their lives. For some, it is the only news and educational programming they can get.

We should not be diminishing this valuable national resource.

The remaining savings from the RFE budget would restore cuts to the Community Service for Older Americans Program.

The war against communism is over. We must focus our efforts on another battle that is still being waged here at home:

Adoption of this amendment will send a clear signal that our priority is to support programs that will help educate and enrich the lives of Americans.

Mr. HARKIN. I yield 2 minutes to the Senator from Minnesota.

Mr. WELLSTONE. First of all, Mr. President, I ask unanimous consent to be included as an original cosponsor of this amendment.

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

Mr. WELLSTONE. I thank the Chair. Mr. President, it is difficult to cover the ground in less than 2 minutes.

Let me just make three points. First of all, I want to associate myself with the remarks of the Senator from Vermont. Second of all, I would like to focus on the import of this amendment, which is to restore as much funding as possible for public television.

I go back to just one gathering in Appleton, MN, in southwest Minnesota, where it is just crystal clear for anyone who wants to look at public TV that it is far from a ''sandbox for the rich.'' Public television is so important to the enrichment of lives of citizens in our country, both urban and rural, but I think especially in the rural communities it is vitally important.

Second of all, the community service for older Americans program is a huge success. The way I define ''success'' is we are talking about low- and moderate-income elderly people who, number one—it is kind of a marriage—are able to have the dignity of being able to work; and number two, their work is this service of community, whether it be delivery of meals to homebound, whether it be taking care of children, whether it be recreational services.

I remember in talking with citizens in Willmar, MN, we can get a wonderful feel for how important this program is on the basis of investment of really very few dollars.

I want to make it clear that I am in full support of this amendment and proud to be an original cosponsor.

Mr. PRESSLER. Mr. President, if the leader would yield 5 minutes.

Mr. HATFIELD. I yield 5 minutes.

Mr. PRESSLER. Mr. President, this amendment represents the complicated dilemmas that can be presented. Of course, I am in favor of senior citizens, and I also support public broadcasting. In fact, I contribute and have contributed to public broadcasting through the years.

As chairman of the Commerce Committee this year I have discovered that public broadcasting could well become self-funding. I agree with AL GORE that we need to reinvent and privatize wherever possible.

In talking to a lot of telecommunications people, I discovered that they plan to get into video dial TV and so forth, and I asked them where they are going to buy their programming? They would say from Arts and Entertainment, the History channel, or Learning channel. I said, ''Why not buy it from public television or radio? They have all kinds of public programming.'' And they said, ''Well, they do not try to sell it.''

I came up with a plan, along with some House leaders, and an agreement has been reached, or an informal agreement, with some of the leading people in public broadcasting to move towards self-funding.

Where would the money come from? First of all, public broadcasting can digitize and sell a lot of their programming. There is a good market for that type of programming. They can sell it to the channels I mentioned as the History channel, the Learning channel, Arts and Entertainment. Nickelodeon is marketing a lot of children's programming in France where it is dubbed—educational children's programming. There is money to be made in this. Public television has taught that.

Second of all, the spectrums that public broadcasting has throughout the country. Now we are finding that, with modern technology, we have extra spectrum. They can sell it or rent parts of their spectrum and make a great deal of money.

Third of all, they have a lot of overlapping spectrum that can be sold or represented. For example, in the Washington, DC, area, many homes get two or three public television signals with the same programming or virtually the same programming. The taxpayers of the country need some relief.

Fourth, the great bureaucracy that has grown inside the beltway here and the excessively high salaries that are paid to foundations that get grants directly from the corporation can be cut. There is great room for efficiency there.

By the way, our States are not getting their fair share of the money. In fact, our State legislatures support most of the public broadcasting in this country as well as private contributors such as myself.

Finally, public stations could make money by getting a bigger percentage of what is played on the free public platform. I have spoken out about this, and indeed I commend the board of directors of the Corporation for Public Broadcasting because they passed a resolution to start getting a bigger percentage of Barney and other programming that appear on the free public platform provided by the taxpayers of this country.

Mr. President, the States are not getting their fair share. My little State of South Dakota, which is vast in geography but small in population, gets $1.7 million, but they have to send $1 million back immediately for programming, which they might be able to buy elsewhere at a better rate.

The ''shields'' used by public broadcasting are children in rural areas. Let me say the State legislature in my State voted against a resolution to seek more funding for the Corporation for Public Broadcasting because it is such a charade they must go through.

So, I believe strongly in lowering the deficit. I believe in less Government involvement. This is an opportunity, a plan has been developed, and they are working with a big investment bank in New York to privatize, to become self-funding.

There is not a need for taxpayers money here. If we are going to transfer this money, we do not need to transfer it to the corporation. The House leaders reached an agreement to privatize, to work toward self-funding. I have outlined various sources of revenue the Corporation for Public Broadcasting can get. I have not mentioned additional advertisement. They already have a great deal of advertising. They call it ''enhancements'' or something. That is fine.

Even without further advertising they sit on a treasure trove of resources here. I recently wrote an article in the Washington Post outlining the five ways public broadcasting can get more revenue without any more advertising. They are sitting on a treasure trove of spectrum, of overlapping spectrum. Inside the beltway here their headquarters are bloated bureaucracies.

The States are really not getting the money that they are supposed to be getting.

Mr. President, I ask unanimous consent to have the Washington Post article I mentioned printed in the RECORD at the conclusion of my remarks.

[From the Washington Post, Mar. 8, 1995]

REALITY-BASED BROADCASTING

(By Larry Pressler)

''Public broadcasting is under attack!'' ''Congress wants to kill Big Bird!'' These and other alarmist cries have been common in recent weeks. The problem is they are lies. That's right, lies. I tried to conceive of a more polite way to say it. I could not. With rare exceptions the press largely has ignored the specifics of the position taken by members of Congress seeking to reinvent public broadcasting.

I have struggled to make my position clear. Yet the misrepresentations continue. I am convinced many simply do not care to report the facts—facts they do not find as interesting as the scenarios they create. That is too bad. The average American taxpayer would find the facts extremely interesting.

As chairman of the Senate Committee on Commerce, Science, and Transportation, I am not seeking to destroy public television and radio. I am a strong supporter of public broadcasting, both in my home state of South Dakota and nationally. Pull the plug? Absolutely not. Rather, my plan would expand opportunities and save taxpayer dollars.

Why do I seek change? Because times have changed. Today's electronic media are vastly different from those of the 1960s, when the current system of federal subsidies for public broadcasting was established. The old theory of ''market failure'' for educational programming is completely untenable in today's environment. Educational and cultural programs can and do make profits when their quality is good and marketing astute. The only money losers in today's arrangement are the taxpayers.

A Feb. 24 Post editorial stated it is time for the public broadcasting industry to face reality. The issue no longer should be whether federal subsidies for public broadcasting will be cut. I could not agree more. Congress now is debating when and how much. The House Appropriations subcommittee on labor, health and human services already has cut the public broadcasting budget. The House leadership promises more to come. I fully expect the Senate to follow suit.

Instead of crying over public cash, it would be more prudent for public broadcasting executives to use their talents and resources developing the numerous potential sources of revenue available to replace the federal subsidy rather than continuing to fan the flames of fear and exaggeration. As captains of a major corporation, their responsibilities should be clear. The Corporation for Public Broadcasting (CPB), National Public Radio (NPR) and the Public Broadcasting System (PBS) need to learn to stand on their own feet.

To help in that effort, I recently provided the chairman of the board of CPB with a plan to end its dependency on federal welfare in three years. Ideas to end CPB's addition to taxpayer dollars include:

PROFITS FROM SALES

CPB should renegotiate sales agreements and improve future agreements to get a larger share of the sales of toys, books, clothing and other products based on its programming. In 1990, Barney-related products retailed at $1 billion! Steps have been taken by the CPB board to improve its share of such sales. More should be done.

MAKE THE MOST OF NEW TECHNOLOGY

Use of new compressed digitization technology would permit existing noncommercial licensees to expand to four or five channels where once they had only one. Public broadcasting stations could rent, sell or make use of the additional channels for other telecommunications and information services.

END REDUNDANCY

At least one-quarter of public television stations overlap other public television stations' signal areas. Public radio also suffers from the inefficiencies of redundancy. Ending this overlap and selling the excess broadcast spectrum would provide substantial revenues to public broadcasting.

SWITCH CHANNELS

Moving public television stations from costly VHF channels to less costly UHF channels in certain markets would provide a substantial source of new revenue.

TEAM WITH OTHER INFORMATION SERVICES

CPB could increase commercial arrangements in the computer software market and with on-line services.

These are only a few of the ways in which the CPB could reinvent itself into a self-sufficient corporation for the '90s and, indeed, for the next century. Ending federal dependency does not end public broadcasting. Today's subsidy amounts to only 14 percent of the industry's spending! Indeed, my current plan asks the Corporation for Public Broadcasting to end its dependency on federal welfare in three years—that's one year more than what current proposals would give welfare recipients to get off federal assistance.

It would be tragic if the public broadcasting industry ignores its responsibilities when the federal budget is in crisis. It also would be tragic if the industry spurns exciting opportunities in new markets and technologies. Perhaps most tragic of all, however, would be continued retrenchment from public broadcasting executives crying, ''It can't be done.'' It can be done. It should be done.

Mr. PRESSLER. So, let me conclude by saying that it may well be that moneys could be transferred from here to there, but they do not need to be transferred anymore for the Corporation for Public Broadcasting. The committee level and the House level gives them more than they need.

I yield the remainder of my time to my chairman.

Mr. SPECTER. Mr. President, how much time remains?

The PRESIDING OFFICER. Five minutes; 5 minutes and 8 minutes.

Mr. SPECTER. How much time remains for the opponents of the amendment?

The PRESIDING OFFICER. Five minutes.

Mr. SPECTER. How much time was there originally?

The PRESIDING OFFICER. Ten minutes.

Mr. SPECTER. We have 5 minutes left. Will the Senator from Delaware take 2½?

Mr. BIDEN. Mr. President, I will make it real quick. First of all, I think the characterization of my friend from Iowa is bizarre. It makes it sound like this is a CIA plot that is still underway. It is one of the most noble undertakings that the Western World has ever engaged in. If you ask any people in Eastern Europe, from Lech Walesa to Vaclav Havel to Boris Yeltsin, and others, who in fact were there before the Wall came down, they credit Radio Free Europe or Radio Liberty more than any single thing.

Number two, is it still needed? It is needed now. There is an enemy. The enemy is called censorship, and if you wonder whether or not it is true, some of us met this week with Mr. Gusinsky, the fellow who has the media empire in Russia now who is criticizing the present President. They are threatening to take down the television stations. They are taking down the radio and television access to the news for the people everywhere from Slovakia through Russia.

The third thing is this notion it is no longer needed. Mr. President, 25 million people still listen to it on a regular basis in Eastern Europe and Russia. Anyone who thinks democracy has taken root and the free market system is in place in those areas, I respectfully suggest they take another close look. And the notion that they can watch CNN—I would say to my friends, CNN is in English; it can be censored. It, in fact, can be impacted upon. And CNN communicates international news, not what is happening within those countries—as RFE/RL does. What we are doing is fully emasculating the ability of Radio Free Europe or Radio Liberty to continue to function.

I am a supporter, an unabashed supporter of public television. I believe it should be more than it is now. But this is like having the hearing impaired steal from the physically impaired, from those who are unable to walk. They are pitting two very important functions of government against one another. But we should not undermine Radio Free Europe and Radio Liberty.

Again, those who think democracy is secure in those areas, please stand and raise your hands and tell me that censorship is still not the single biggest enemy of the prospect for freedom to flourish and democracy to flourish in Eastern and Central Europe.

Let me give a few more examples. In Russia, we have heard about the media courageously reporting on the war in Chechnya.

But that does not mean that Russia is now blessed with completely free media.

Last year, the State Duma in Russia adopted a new media law which requires that State-owned media must inform the public of activities of the President, Government, and Parliament within 24 hours after any noteworthy event.

And although the State Department reports that ''print media [in Russia] functioned largely unhindered,'' this optimistic picture is clouded by the situation in many provinces:

> Regional political authorities [in Russia] resorted to various devices to close down critical newspapers.

Last winter and spring, during the parliamentary campaign in Kazakhstan, a television station went off the air for several days when local authorities, upset by broadcasts critical of the mayor of the capital, shut off electricity to the station.

In Slovakia, as the Washington Post reported last Tuesday, the newly elected Government has increasingly pressured—and at times forced—television, radio, and newspapers to accept wholesale changes or drop programs.

In my view, Radio Free Europe and Radio Liberty are as important today as they were during the past 40 years.

Because the establishment of free and independent media in the region has been a slow process, RFE/RL today have a dual role: To provide a model of how independent media should function in a free society, and to keep honest those who seek to reestablish repression and to silence the press.

This function is not one conceived in the abstract; the practical reality lies in the public response: The people of the region continue to tune in to RFE/RL.

In nearly every country in Eastern Europe and the former Soviet Union, the listenership of RFE/RL today equals or exceeds that of the Voice of America.

It also exceeds the audience of the British Broadcasting Corporation's World Service.

All told, some 25 million people in the region listen to RFE/RL on a regular basis.

Surveys conducted last fall of leading citizens in the region found that an average of nearly 75 percent supported the continuation of western radio broadcasts.

Equally important, every leader of the new democracies in the region continues to urge that these radios remain open.

Let me quote from a letter from Czech President Vaclav Havel to President Clinton:

> [RFE broadcasts] remain important to the development of independent journalism and democracy in our country.

The Presidents of the three Baltic States expressed a similar view:

> These broadcasts [are] an integral part of the continuing development of [our] democratic institutions.

These are not leaders whose budgets benefit from RFE/RL—these are leaders who recognize that RFE/RL still make a contribution to the establishment of democracy.

This year, the administration proposes to spend $100 million on the so-called ''Warsaw Initiative,'' a program to assist the new democracies of Eastern Europe to modernize their militaries.

I would argue that Radio Free Europe and Radio Liberty are as important as this military assistance in helping to secure the democratic foundation in the former East bloc.

Yet I predict that hardly anyone around here will blink an eye when the Congress votes on the $100 million ''Warsaw Initiative.''

RFE/RL IS CUTTING ITS BUDGET

I agree with the Senator's belief that we need to reduce our international broadcasting budget.

We are doing just that.

The State Department authorization bill, enacted last year, provides for the consolidation of all U.S. international broadcasting.

The plan will reduce operations at both RFE/RL and the Voice of America. By next October, VOA and REF/RL will have reduced their combined broadcast hours to Eastern Europe and the former Soviet Union by 32 percent.

RFE/RL will reduce its budget by 67 percent—from $220 million to $75 million annually by fiscal 1996.

In terms of employees, RFE/RL will be cut by a similar amount—from 1,600 in September, 1993 to about 420 in fiscal 1996.

The research arm of RFE/RL has already been privatized: Its operations have been taken over by the open media society—a project funded by the philanthropist George Soros.

The new institute will undertake the restoration and preservation of the invaluable archives owned by RFE/RL—40 years of material that trace the dark era of totalitarianism in Eastern Europe and Eurasia.

This is a project for which no Federal funds were available. But because of this public-private partnership, that important objective will be realized.

The changes that I have enumerated will produce $400 million in savings over the period from 1994 to 1997. All this is not a one-time phenomenon—it is a permanent structural change.

In addition, Congress has directed RFE/RL to begin an effort to privatize the radios—that is, that the funding should be assumed by the private sector by the end of the decade.

The radios are taking that directive seriously. Their ongoing move to Prague is a critical part of the effort to prepare for privatization.

Let everyone understand what this amendment will do—it will emasculate Radio Free Europe and Radio Liberty.

The fiscal year 1995 budget for the radios is $229 million. That includes $103.5 million for one-time downsizing costs.

Nearly $67 million of those costs are mandated by German labor laws.

Restrictive German labor laws require RFE/RL to pay severance and other benefits to the hundreds of employees who will be laid off—laws that RFE/RL, as a private corporation operating in Germany, must comply with. It is undisputed that RFE/RL, Inc. is subject to German labor laws.

A recent case, decided in February in the D.C. Circuit (*Mahoney* v. *RFE/RL, Inc.*), made clear that as a corporation with its principal place of business in Munich, RFE/RL would violate the laws of Germany if the corporation breached its collective bargaining agreements.

THIS WILL STOP AN IMPORTANT MOVE TO PRAGUE

In short, the effect of this amendment would be to place a dagger in the heart of the radios—at a moment when they are in the midst of a move from Munich to Prague, where they are preparing for the eventual privatization of RFE/RL.

This would break faith with a decision that the President and Congress jointly made last year.

Last January, the Senate voted to consolidate RFE/RL and the Voice of America.

Last summer, the President sent a reprogramming to Congress which provided for the move of the headquarters of RFE/RL from Munich to Prague.

I do not recall any of my colleagues objecting at that time to the continuation of RFE/RL.

But now the move to Prague is in motion. Four language services are now being produced in Prague: Russian, Ukrainian, Latvian, and the South Slav service.

RFE/RL plans to be out of Munich by June 10.

Because Munich is one of the most expensive cities in Europe, the move will achieve important savings. Per capita personnel costs will be reduced by one-third.

The President of the Czech Republic, President Havel, made an extremely generous offer to allow the radios to use the former Czechoslovak Federal Parliament Building for a nominal fee of one Czech crown per day—or 12 dollars per year.

The President of the United States accepted that offer last summer. This amendment would obviously undercut that commitment.

That is why the Clinton administration is strongly opposed to the Harkin amendment, as stated in the letter I read earlier from Joe Duffey, director of the U.S. Information Agency.

RFE/RL AND VOA ARE NOT DUPLICATIVE

It is not true that RFE/RL duplicates the Voice of America.

The two radios have different missions. The Voice of America's is mandated to tell America's story.

By contrast, Radio Free Europe and Radio Liberty, radios provide news and information about local events within the recipient countries.

In this manner, RFE/RL act as home service or surrogate radios in the absence of fully free and independent media in the emerging democracies of the Eastern Europe and Eurasia.

As a result of the broadcast consolidation, the amount of overlapping broadcasts—that is, broadcasts by both RFE/RL and the VOA in the same language at the same time—was reduced from 24 hours to zero.

It is ludicrous to suggest that the cable news network now suffices for the countries of the former Soviet Empire.

In most countries, there are only two ways to obtain CNN—by staying in an expensive hotel or to buy a satellite dish.

I do not have any data on how many such dishes are available, but I cannot believe they are widespread.

More important, the news of CNN is in English, and it is international news. The news on Radio Free Europe

and Radio Liberty is in the vernacular—the local language; and it focuses mainly on local news.

Do not take my word for it that these broadcasts are still needed. Listen to the results of a survey conducted last fall in the region.

A poll of decisionmakers in each country—government, military, media, and economic leaders—clearly demonstrates this point.

When the proposition was put to them that Western radio is needed despite the new media freedom, some 75 percent of those polled disagreed or strongly disagreed.

I sympathize with my friend from Iowa about the choice we face in this bill.

I am in favor of restoring the cuts to the corporation for public broadcasting—but not at the expense of one of the most valuable instruments in American foreign policy.

The last point I will make is the administration is opposed to the amendment of my friend from Iowa. And I hope I have done this within 2½ minutes.

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. SPECTER. Mr. President, I oppose the amendment. Much as I would like to see additional funding for public broadcasting, the subcommittee of which I am the chairman, the Subcommittee on Labor, Health, Human Resources and Education, has made a very careful allocation and has in fact reduced considerably the rescission by the House of Representatives for fiscal years 1996 and 1997. The House wanted to cut public broadcasting by $47 million. We limited the rescission to $26,360,000 for fiscal year 1996. For fiscal year 1997, the House of Representatives wanted to cut public broadcasting by $94 million, and our subcommittee limited that rescission to $29,360,000, leaving public broadcasting at its current rate of $285,640,000.

That is fairly complicated arithmetic, but what it boils down to is on the current mark, there has been substantial consideration given to public broadcasting. The responses which the committee has heard from those who are interested in public broadcasting is a sigh of relief that their funding has been maintained at its present level.

I would like to see more funding for public broadcasting. But in setting this mark we feel there has been a realistic and appropriate balancing of priorities.

When the Senator from Iowa talks about employment for older Americans and would like to add funding there, of course it would be fine to add $14 million additionally to the $396 million recommended by the committee. But here again, the Appropriations Committee has made a very careful balancing of priorities. It is possible to pick apart the appropriations bill in a thousand ways and to take accounts which sound wonderful, like older Americans or public broadcasting, and take them from accounts like Radio Free Europe which makes a great sound bite or looks complicated when the Sunday papers reprint the vote. But this has been very, very carefully worked out.

Senator BIDEN has made as good an argument as you can make in 2½ minutes. I am sorry he is not on the floor to compliment him, because it is seldom that Senator BIDEN makes that good an argument in 2½ minutes. Usually it is longer and proportionately it may not justify the additional time. I wish he were here to reply to that.

It is with some reluctance that I oppose my colleague, Senator HARKIN, who serves as ranking member on the subcommittee. We have worked together for a very, very long period of time. But as the allocations now stand, there is an appropriate allocation and balancing of priorities.

Mr. President, I ask unanimous consent for an additional 2 minutes.

The PRESIDING OFFICER. Is there objection?

Mr. HATFIELD. Will the Senator yield for just a moment?

Mr. SPECTER. I yield.

Mr. HATFIELD. Mr. President, I ask unanimous consent to extend this debate for 10 minutes, to be equally divided between both sides.

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

Mr. SPECTER. If the time is extended for an additional 10 minutes—

Mr. HATFIELD. And I yield to the Senator from Pennsylvania 2 minutes.

Mr. SPECTER. I would want to reserve time until I hear from Senator HARKIN and reply, if I may.

Mr. HATFIELD. Mr. President, the 10 minutes has been agreed to, 5 on a side?

Mr. SPECTER. I yield the floor and will reply to whatever additional arguments remain.

Mr. HARKIN. Mr. President, I yield 3 minutes to the Senator from Illinois.

The PRESIDING OFFICER. The Senator from Illinois.

Mr. SIMON. Mr. President, Senator SPECTER's argument on the Corporation for Public Broadcasting is we are not hurting the corporation nor public broadcasting as much as the House is. That is not a very good argument.

Let me point out one thing. This body, I am pleased to say, unanimously supported me in an effort to have an exemption to the antitrust laws so that the television industry could get together on the question of violence. The evidence is overwhelming.

The Presiding Officer is a physician. The American Academy of Pediatrics, the American Medical Association, the National Institute of Mental Health, the Surgeon General of the United States, all have issued studies saying that television violence that glorifies violence adds to violence in our society.

I am pleased to report to this body, thanks to your efforts and to voluntary efforts in the industry, broadcast television has reduced violence appreciably. Cable has moved very, very modestly. But one network and one network alone provides violence-free television for the children of America, and that is public broadcasting.

I think we have to put our vote where our mouth is on this. I think we have to encourage the only network in this Nation that provides violence-free television for our children. There is one children's program, for example, that is broadcast in this country which is produced in two versions. One is the violent version for the United States of America, and the other is the nonviolent version for all the other countries in the world. When the Christian Science Monitor asked the producer why, she said, ''Well, the United States people demand violence, and we get no complaints. We cannot sell it in other countries with the violence in it.''

The Corporation for Public Broadcasting is doing a superb job of giving us violence-free television for our children, and we ought to be supporting it and supporting them strongly.

I am proud to be a cosponsor of the Harkin amendment. If I am not already, I want to be added.

I thank the Senator from Iowa.

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

Mr. HARKIN. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator has 10 minutes and 39 seconds.

Mr. HARKIN. Mr. President, I yield 4 minutes to the Senator from Arkansas.

The PRESIDING OFFICER. The Senator from Arkansas.

Mr. BUMPERS. Mr. President, I thank my distinguished friend from Iowa for yielding to me. I congratulate him on trying to maintain a semblance of culture, decency, and civility in this Nation.

The Senator from Illinois spoke just before I did. He spoke about the fact that our children, by the time they graduate from high school, will have seen 18,000 murders, to say nothing of the other unspeakable violence they are going to see on network television. We have grappled in the Senate with how to control children's exposure to violence in light of the free speech provisions of the first amendment, and nobody has been able to come up with a workable solution.

I was speaking with a Senator's wife about a week ago and she said, ''You know, Dale, we don't subscribe to cable at our house. We have a 12-year-old son. We do not want him exposed to MTV.'' I tell you, there are an amazing number of people in this country who deplore what their children are watching on television, and some of them are opting, as she does, not to purchase cable television.

Mr. President, you can be assured that this is not the final definitive debate on the Corporation for Public Broadcasting. There is an assault in the U.S. Congress on public broadcasting. With NEWT GINGRICH leading the charge, the Republicans in Congress

have decided to take dead aim at Big Bird, rather than deal with the problems that really cause harm to our society.

Mr. President, we have heard the argument: ''CPB can be privatized; let them do as everybody else does.'' Let me ask you about the magnificent, unprecedented series on the Civil War which was so poignant. 14 percent of Americans tuned in to see it. I promise you, most Americans were in tears watching, but above all, learning about the most defining moment in American history—13 hours on public broadcasting. Can you imagine watching that series on one of the commercial networks and being interrupted every 5 minutes with a car being dropped on top of a mountain top, or a Budweiser beer commercial?

I cannot believe that the Harkin amendment is even being challenged. If the Senator from Iowa prevails on his amendment, there will be $175 million left in the Radio Free Europe account. That is $100 million more than the President requested. In addition, even if the Senator from Iowa prevails, we will still be $29 million short of what public broadcasting was supposed to get.

Mr. President, how many times during the balanced budget amendment debate did you hear the argument, ''Senator, how can you vote against the balanced budget amendment? Eighty percent of the people of this country favor it. You are going against the wishes of the people.''

So, for the Senators here who are prepared to vote against the amendment of the Senator from Iowa, let me remind you that between 65 percent and 70 percent of the people of this country do not want the Corporation for Public Broadcasting to be cut. Is it for dilettantes? The statistics show that the average salary of the people of this country who watch opera is $40,000 a year. Where else could they see Pavarotti, Kiri Te Kanawa, all of the magnificent voices; are they to be silenced? Are we going to say to the American people that other countries of the world are willing to spend up to $38 per household for the very same thing the American people are paying $1.09 for?

It is troubling to hear the assaults on things like the Corporation for Public Broadcasting and National Public Radio—I never move my radio off NPR. When I get in the car in the morning, that is what is on; and when I go home at night, that is what is on, because I want to know what is going on in the world and I do not want all those commercials interrupting it. I want a definitive, honest-to-goodness, analysis of what is happening all over the world. I wonder what the opponents of the Harkin amendment listen to in order to get their news.

Mr. President, I thank the Senator for yielding.

I yield the floor.

Mr. HARKIN. How much time is remaining on both sides, Mr. President?

The PRESIDING OFFICER. Five minutes on this side.

Mr. HARKIN. I yield myself 3 minutes.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. HARKIN. Mr. President, first of all, I want to thank my colleagues who have spoken so eloquently on this amendment. I thank them for their support.

Second, I want to again thank and congratulate my colleague, Senator SPECTER, for doing a truly outstanding job in getting the provisions through our Labor-HHS-Education Appropriations subcommittee that he has done in this bill. Having been in his position, I know it is a tough job, a thankless job. I want to commend him for all the work he has done. He has done a good job. I support him in that effort.

I point out, however, that in this case, Radio Free Europe is not in our subcommittee. So I am not hanging that on his head. It is funded in another subcommittee. Senator SPECTER and our subcommittee does not fund Radio Free Europe.

Mr. President, I also want to say—and I do not have the time to do this. The compensation package that was agreed upon for the employees of Radio Free Europe because they are now moving to Prague, Czechoslovakia, you ought to read it. Let me read a couple of its provisions.

Employees having children shall receive a one-time payment in the following amount: One month of gross salary, but in no event more than deutsche mark 10,000—that is $7,500 in U.S. dollars—for every dependent child aged no more than 27. How about that?

Employees terminated effective as of July 30, 1994, shall receive in respective school fees for the children to go to school 10,000 deutsche marks per child. So they can go to school. That is $7,500 a year.

What is going on here? This is criminal. Talk about a golden parachute. And at the same time, we are saying we are going to cut broadcasting for Big Bird and for our kids in this country. What nonsense.

My friend from Delaware talks about censorship. If that is going to be our guiding light, let us start Radio Free Asia, Radio Free South Africa, Radio Free South America.

Mr. BIDEN. We have.

Mr. HARKIN. Censorship can rear its ugly head anywhere, anywhere—in Uruguay and Paraguay, in Chile and Argentina, in any country in Africa. But what we have is the Voice of America. Now, he talked about Lech Walesa. I have some statements from other people I will put in the RECORD telling about the Voice of America, the present Prime Minister of Albania saying it was the Voice of America that brought them through, not Radio Free Europe.

Second, Mr. President, here is a list—I ask unanimous consent to put these in the RECORD—of every country in Eastern Europe and all of the radio and TV stations they already have that are operating. I ask unanimous consent to put that in the RECORD.

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

Ukraine: Russian TV programming is widely viewed.

Belarus: European music stations and BBC TV programs have been on air since last year.

Latvia: 6 commercial stations broadcasting most of day.

Lithuania: Recent formation of an association of independent TV and radio stations. TV programs broadcast; also several TV and radio stations broadcasting in Polish.

Hungary: VOA and BBC rebroadcast on Kossuth, FM, a state radio network.

Poland: RWE, Inc. broadcasts on Polish Program 4, a nationwide mediumwave network; BBC and VOA rebroadcast locally on both MW and FM. A National Broadcasting Council has issued 3 private national licenses in addition to 115 local licenses. The first national private TV license was recently awarded to Polsat over competing bids involving well-established foreign firms such as Time Warner Inc., Bertelsmann AG, and Reuters.

Czech Republic: VOA and BBC broadcast on FM networks in locations throughout the country; 2 public radio networks. Many of the independent stations with music and news often broadcast 24 hours a day.

Slovakia: Slovak Radio broadcasts despite financial problems BBC broadcasts on FM networks throughout the country.

Bulgaria: Numerous local independent radio stations operate in Sofia and other major cities. VOA, BBC, Deutsche Welle and Radio France International broadcast on FM in Sofia; VOA and BBC in cities outside.

Romania: Romania Radio, with 3 national networks all due to go on FM in the near future, is a less controversial institution than state TV. Numerous local independent radio stations operate in Bucharest and other major cities. VOA, BBC, Radio France International and DW are currently being rebroadcast on FM in Bucharest; BBC and DW also broadcast on FM in other cities.

Azerbaijan: Iran and Turkey supply television and radio programs to Azerbaijan; radio and TV cooperation between Iran and Azerbaijan is expanding.

Georgia: ''Free Georgia'' radio reportedly has been set up in Mingrelia by Gamsakhurdia supporters. Western and Turkish TV is available in Tbilisi.

Kazakhstan: TV broadcasts from Russia. Almaty is home to several independent radio stations. Print media are diverse. BBC and VOA broadcast, but only in Russia.

Tajikistan: An opposition radio, ''Free Tajikistan,'' has begun broadcasting 90 minutes a day. BBC and VOA broadcast in Russian.

Uzbekistan: Voice of Iran and radio Saudi Arabia transmit to Uzbekistan in Uzbek; other regional broadcasters can be heard in Persian or Turkish. VOA broadcasts; BBC plans to begin broadcasting in Uzbeck in later 1994.

Mr. HARKIN. The Senator from Delaware says the administration is opposed.

The PRESIDING OFFICER. The Senator's 3 minutes have expired.

Mr. HARKIN. I will take 30 more seconds. Here is the OMB pass-back budget 1994:

Presidential decisions. The pass-back includes some specific policy issues that were personally reviewed and decided by the President and cannot be changed. BIB, RFE, RL will be terminated in 1995, capital assets will be transferred to and merged with USIA.

So if this is something new, then the President obviously has changed his mind. But the President made a decision to personally zero it out.

I would also point out that even in this fiscal year the President asked for $75 million.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. HARKIN. And this is $100 million more than the President asked for.

I reserve the remainder of my time.

Mr. BIDEN. Mr. President, will the Senator from Pennsylvania yield me 2 minutes?

Mr. SPECTER. I yield the Senator 2 minutes.

Mr. BIDEN. I do not say this with any rancor, but it is clear the Senator from Iowa is correct; he is uninformed on this issue. The reason he is uninformed on the issue, Radio Free Europe or Radio Liberty, the administration is not opposed.

I will submit the letter for the RECORD. I ask unanimous consent it be put in the RECORD.

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

U.S. INFORMATION AGENCY,
Washington, DC, March 31, 1995.

Hon. JOSEPH BIDEN,
U.S. Senate.

DEAR JOE: It is my understanding that the Senate may take up an amendment that would rescind major funding for the operations of Radio Free Europe/Radio Liberty. We appreciate your past and continuing support for RFE/RL and hope you will join the Administration and me in opposing this amendment.

As you know, we are currently in the process of shutting down RFE/RL in Munich and moving the newly configured operation to Prague. We have managed to get major components of the operation off the government budget and all of those involved in this effort have proceeded in good faith on the basis of reductions agreed to last year. The budget is being drastically reduced.

The operation will be overhauled under the leadership of Kevin Klose, President of RFE/RL, and a new Board of Directors, chaired by David Burke, former Vice President of ABC News. We have, however, let go more than a thousand long-time employees in Germany and must meet major obligations (legal obligations) there for German Government mandated separation costs, pension and health costs, etc. A cut in this year's budget of the one-time expense set aside for this purpose will break faith with those who have moved ahead with creativity and no little courage to help reinvent this old institution and make it serve a new purpose in a new time. It will also create a monumental management disaster in Munich and Prague, which will cause operations to come to an abrupt halt and create obligations and penalties for the U.S. Government beyond the savings sought by the amendment's sponsors.

I stand ready to met you in the Senate Lounge at any time to talk with you about this, as does Mort Halperin, who can express President Clinton's and the National Security Council's strong opposition to the proposed amendment.

Thank you for your consideration.

Sincerely,

JOSEPH DUFFEY,
Director.

Mr. BIDEN. Let me clarify this for the Senator. At the beginning of this administration, the President proposed terminating RFE/RL. That decision was reversed in the spring of 1993. And that summer, the President proposed consolidating all U.S. sponsored international broadcasts. Congress accepted it. And we ordered budget cuts. We cut the costs. The reason it is $175 million, $100 million more that the request for Fiscal 1996, is that it costs more—in the current fiscal year—to reduce the size of the radios. That is what it cost under German law to reduce the operation. We are bound under German law. When we lay off people and fire people under German law, we are required to pay this severance pay. That is the reason why it is more money this year and drops to $75 million next year.

Thirdly, I point out to my friend from Iowa, he did vote for and we did vote for Radio Free Asia. We authorized the establishment of a new service last year, and began appropriating money last year. We did it because there is censorship in China and the other communist countries in Asia; because there is a gerontocracy in Beijing that does not let people express their points of view. We did do that. So he is ahead of himself without even realizing it. We did in fact vote and have voted to guarantee that where there is censorship in the world, we will be involved to the extent that we can.

So, Mr. President, if we do not send troops, and we are not going to send money, and we are not going to send information, and we are not going to send access to the truth, what the heck are we going to do? I resent the fact that this is being pitted against public television. The reason public television is cut is not because of Radio Free Europe. When we reach the point——

The PRESIDING OFFICER. The Senator's 2 minutes have expired..

Mr. BIDEN. When you reach the point your time has expired, you sit down.

Mr. SPECTER. Mr. President, how much time remains?

The PRESIDING OFFICER. Three minutes 9 seconds remain.

Mr. SPECTER. How much for the opposition?

The PRESIDING OFFICER. One minute thirty-two seconds. But the Senator from Iowa yielded back his time.

Mr. HARKIN. No, the Senator did not.

The PRESIDING OFFICER. The Chair thought the Senator did.

In that event, 1 minute 32 seconds remain.

Mr. SPECTER. Mr. President, I yield myself 2 minutes.

When the argument is made by the Senator from Arkansas that there is an assault on public broadcasting, I would remind him that the major assault is on the deficit, and as chairman of the subcommittee we looked at $5.9 billion of rescissions by the House, and we reduced that to $3.05 billion, and asked public broadcasting to take a fair share, leaving them with the same amount they had last year. And that has received the comments of gratitude that they are able to function without the larger cuts recommended by the House.

The amendment is an attractive one, obviously, when they move into community service with older Americans, but that account already has $410 million. So the $14 additional million, while making this amendment look attractive, really is not very significant in the overall picture.

The distinguished Senator from Delaware has spoken about Radio Free Europe, but I think the point has not been made that the $229 million is being reduced next year to $75 million, and $7 million has been added this year for consolidation and wind-down purposes.

My colleague from Iowa, who was chairman and is now ranking member, worked with me over these sheets, and I can understand his interest in wanting more money for public broadcasting. And I understand the Senator from Illinois, who has done outstanding work to try to combat violence on television. But this is a fair allocation, and if we are going to reach a balanced budget——

The PRESIDING OFFICER. The Senator's 2 minutes have expired.

Mr. SPECTER. I yield myself 1 additional minute.

If we are to reach the balanced budget by the year 2002, there is going to have to be a fair share reduction on many items which we would like to have. And I think it is a fair submission that the Corporation for Public Broadcasting is able to tighten its belt and do the job within the parameter of the existing budget, so additional funds should not be added at the expense of another worthwhile account.

I yield the floor and reserve the remainder of my time.

Mr. BIDEN. Will the Senator give me 5 seconds?

Mr. SPECTER. I do.

Mr. BIDEN. I would like to point out that in the Dole-Daschle compromise we are cutting the international broadcasting account by $35 million. The Senator from Iowa proposes to cut $40 million from RFE/RL in addition to what we are about to cut.

I yield the floor.

Mr. HARKIN. How much time is remaining?

The PRESIDING OFFICER. One minute 30 seconds.

Mr. HARKIN addressed the Chair.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. HARKIN. First of all, let us face it. The Voice of America is broadcasting all over the world, in China, in Europe. The Prime Minister of Albania said it was the Voice of America, not Radio Free Europe that they listened to, plus we have BBC, German. These countries all have other broadcasts. So it is just a question of choices.

This is deficit neutral. This does not increase the deficit. But the choice is just this. Are we going to privatize the Corporation for Public Broadcasting or are we going to privatize Radio Free Europe? Will we have a compensation package for the Germans that I just mentioned or will we have jobs for our senior citizens here in America?

I would also point out, Mr. President, that the Dole substitute had a $98 million cut in Radio Free Europe, much more than what we are asking for here in ours.

Lastly, Mr. President, I would point out again, this amendment provides $26 million more for the Corporation for Public Broadcasting. It also provides $14 million for the senior community service employment program.

I ask unanimous consent to put at the end of my remarks some supporting documents regarding the senior community service employment program.

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

(See exhibit 1.)

Mr. HARKIN. So, again, Mr. President, the choice is clear. Are we going to spend our taxpayers' dollars for Radio Free Europe when the Voice of America is already broadcasting? Or are we going to bring that money here and make sure we have public broadcasting and jobs for our seniors?

EXHIBIT 1

EXAMPLES OF VOA PROGRAMMING

GENERAL

They do news broadcasts (in English and native languages), descriptions of US foreign policy, pieces on popular US culture, information about studying in America, English lessons including Special English broadcasts in slow English, and editorials (which are criticized for being one-sided and potentially damaging the credibility of VOA.)

You can think of VOA as the public relations arm of the US Government for foreign publics.

SPECIFICS

During China's 1989 Tiananmen Square demonstrations and massacre, VOA correspondents broadcast in real time back to China eye-witness accounts of the massacre, and gave public exposure in China to the demonstrators demands for democracy and openness—information that Chinese authorities were censoring.

During the Gulf War, VOA stepped up broadcasts in Iraq and throughout the Middle East in English and Arabic to counter misinformation by Sadaam Hussein, and explain US goals and achievements in the world.

VOA reports on the Middle East peace process from the US perspective so that Arab populations, who live in countries where press is often censored, will hear additional views.

President Clinton broadcast an appeal for calm and non-violence to Burundi in February 1995 just as ethnic violence a la Rwanda is heating up between Tutsi and Hutu extremists: in this case the President is using VOA to circumvent hostilities without resorting to force or sanctions.

The Prime Minister of Albania, Dr. Alexander Meksi, praised VOA for its role during 5 decades of totalitarianism and during the 1990–1991 revolutions:

''On Voice of America we heard about the revolution in Eastern Europe as well as about internal developments in our own country. The role of the radio station was vital in the democratization of Albania. Through interviews that VOA conducted with prominent personalities in Albania we heard the first public criticism of the communist regime from within Albania.''

VOA correspondents were in Mogadishu to report on the US feeding mission, getting out information about where the US Marines were, what they are doing, and where feeding centers were.

When the Congress voted to lift the trade embargo against Vietnam, Vietnamese heard it on VOA along with appeals for continued cooperation on POW–MIAs—which well reflected US policy.

VOA broadcasts to Tibet news about international efforts for their struggles that China authorities would not allow. The Dalai Lama can address his people on Tibet on VOA.

English classes in the English Corner throughout the world. It's a language lesson everyday on radio.

VOA also feeds its broadcasts to local FM stations to expand distribution

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10 GOOD REASONS TO SUPPORT SCSEP

The Senior Community Service Employment Program (SCSEP) authorized under Title V of the Older Americans Act should be preserved and expanded for the following reasons:

1. The SCSEP is our country's only workforce development program designed to maximize the productive contributions of a rapidly growing older population through training, retraining, and community service. History has taught us that mainstream employment and training programs like JTPA and CETA are not successful in serving older workers. A targeted approach is needed.

2. The SCSEP is primarily operated by private, non-profit national aging organizations that are customer-focused, mission driven, and experienced in serving older, low-income people. These nonprofits work in close partnership with the Governors, Department of Labor, aging network, and employment and training system, actively participating in One Stop Service initiatives designed to streamline and integrate services.

3. The SCSEP is a critical part of the Older Americans Act, balancing the dual goals of community service and employment and training for low-income seniors. Many nutrition programs and other services for seniors are dependent on labor provided by the SCSEP.

4. The SCSEP has consistently exceeded all goals established by Congress and the Department of Labor, surpassing the 20% placement goal for the past six years and achieving a record 135% of goal in FY 1993–94. Virtually all appropriated funds are spent each grant year, in stark contrast to similar programs.

5. The SCSEP provides a positive return on taxpayer investment. One study found that the program returns at least $1.47 for every dollar invested by empowering individuals to become self-sufficient and productive members of their communities.

6. The SCSEP is a means tested program, serving Americans age 55+ with income at or below 125% of the poverty level, or $9,200 for a family of one. The program serves less than 1% of those who are eligible; long waiting lists are common in most areas of the country.

7. The SCSEP serves the oldest and poorest in our society and those most in need: 39% of enrollees are minorities—the highest minority participation rate of any Older Americans Act program; 72% are female; 32% are age 70 and older; 81% are age 60 and older; 41% do not have a high school education; and 9% have disabilities.

8. The SCSEP ensures national responsiveness to local needs by directly involving participants in meeting critical human needs in their communities, from child and elder care to public safety and environmental preservation. The SCSEP has been a major contributor to national disaster relief efforts, most recently resulting from floods in the midwest, hurricanes in the southeast, and the California earthquakes and riots.

9. The SCSEP has demonstrated high standards of performance and fiscal accountability unique to government programs. Less than 15% of funding is spent on administrative costs—one of the lowest rates among federal programs and despite a unit cost that has not been adjusted for increased administrative expenses since 1981.

10. The SCSEP historically has enjoyed strong public support because it is based on the principles of personal responsibility, lifelong learning, and service to community. In addition, the program is extremely popular among participants, host agencies, employers, communities, and the membership of our nation's largest aging organizations.

[From Green Thumb, Inc.]

IOWA SCSEP CASE HISTORIES

Donald Huntley of Boone county came to a Green Thumb pre-app day last spring out of desperation. He had worked for many years at a large turkey manufacturing plant that had gone out of business. HIs annual income for a family of two at the time was $1,380. Don had very good skills and life experiences and a wonderful personality. He began his assignment in June with the Iowa 4–H Education Center. Prior to his orientation his Area Supervisor, Denise Juhl, told him that this was a chance to prove to the agency that they couldn't live without him. Don told her, ''consider it done''. On January 1, 1992, Don became a permanent full-time employee of the Iowa 4–H Education Center. His beginning salary will be $18,400 with full benefits—an increase of more than 13 times his salary when he enrolled in June! Way to go, Don—we knew you could do it!

Jerry Burgett, a once very successful business owner and entrepreneur, found himself physically disabled and as a result lost his business. He had been a concrete sawer, which took an extreme amount of physical activity. At age 55 he experienced major back surgery and was unable to lift more than five pounds. He became homeless, living with different relatives. His life learned working skills were no longer of value to him. At the intake and assessment, he indicated that he wanted to learn computers and word processing. He was dual enrolled in Green Thumb and JTPA to begin an eight week course in computers and word processing. At the completion of his course, he finished with a perfect attendance and top scores in his class. Jerry began working for a local greenhouse firm the day he finished classes. He is in charge of a city wide satellite greenhouse system. He insures each satellite is staffed and ready for business each day. Jerry credits his new job to his recently acquired training. He now has a small apartment and rediscovered self esteem and self worth.

The PRESIDING OFFICER. The time has expired.

Mr. SPECTER. How much time remains on my side?

The PRESIDING OFFICER. Fifteen seconds.

Mr. SPECTER. Mr. President, this has been a lively debate. I think all of the issues have been aired. I think the accounts as they currently stand express appropriate priorities as best we can determine them, and I move to table the Harkin amendment.

The PRESIDING OFFICER. The motion to table is not in order under the unanimous consent agreement.

Mr. SPECTER. Mr. President, I understand there was an agreement on an up-down vote. I was not present at that time. I withdraw the motion to table.

Mr. HARKIN addressed the Chair.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. HARKIN. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The PRESIDING OFFICER. Under the previous order, all yea and nay votes will be stacked. We are ready for other amendments.

Mr. HATFIELD addressed the Chair.

The PRESIDING OFFICER. The Senator from Oregon.

Mr. HATFIELD. Mr. President, may I inquire of the Chair the list of the amendments that were incorporated in the unanimous consent agreement?

The PRESIDING OFFICER. The Wellstone seniors' amendment, the Hatfield-Byrd managers' amendment, the Harkin add-back for Corporation for Public Broadcasting.

Mr. HATFIELD. Mr. President, so as far as the process of those needing to be disposed of, we have the Wellstone amendment and the managers' wrap-up amendment?

The PRESIDING OFFICER. That is correct.

Mr. HATFIELD. Mr. President, we have resolved the Wellstone amendment. We are now putting that together with the managers' wrap-up. Therefore, I believe that would complete the business at this point as far as amendments are concerned; is that correct?

The PRESIDING OFFICER. That would be correct.

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

Mr. WELLSTONE. Would the Senator from Oregon yield for a moment?

Mr. HATFIELD. I withdraw the request for a quorum call.

Mr. WELLSTONE. Mr. President, I just want to thank Senator HATFIELD for his graciousness in our negotiations. I wanted to say to the Senator and to my colleagues that this program, the insurance information counseling and assistance grant program, again, is a program that we have in every single State, with seniors receiving assistance from trained volunteers in dealing with all the Medicare forms and the Medigap policies to provide really good protection for people. It is a program, with very little by way of money, that has gone a long ways. I thank my colleague from Oregon for all of his help.

Mr. HATFIELD. I thank the Senator.

Mr. FORD. Mr. President, will the distinguished chairman yield for a question?

Mr. HATFIELD. I am happy to yield.

Mr. FORD. The only amendment left now will be the managers' amendment. When will that amendment be prepared to be offered and how much time will it take for that amendment, could I ask the good Senator?

Mr. HATFIELD. My estimate at this point is that we are in the process of putting that together and of alerting our colleagues who are involved.

I notice Senator MCCAIN is here. He will have an amendment in that wrap-up. Senator WELLSTONE will have one. Senator JEFFORDS will have one.

In each case, Mr. President, I say to the Democratic whip, each of these amendments that are in the wrap-up are totally offset amendments. So they do not add to the deficit. And they have been cleared on both sides. We should have that within the next few minutes.

Mr. FORD. Mr. President, I say to my good friend, I was not objecting to that amendment. I understand it is basically agreed to and it has complete offsets, so most people are satisfied with it.

The only thing I was trying to do is figure out how much longer it would be and when you think the votes will be occurring.

Mr. MCCAIN. I would like to make about a 4-minute statement.

Mr. HATFIELD. Mr. President, I say to the Senator, at this point, I would say it should all be wrapped up, as far as the managers' amendment, in about 15 minutes.

Mr. FORD. I thank the chairman very much.

AMENDMENT NO. 578, AS MODIFIED

Mr. HATFIELD. Mr. President, I will now make a unanimous consent request to make a technical correction. We had cleared the Levin amendment No. 578, but I ask unanimous consent to correct a drafting error by modifying it with the language that I now send to the desk.

What we are doing is we are, on page 9, line 12, striking one figure, $37 million, and putting in $25 million; and one figure $35 million and putting in $23 million. This does not change the basic content of the amendment. It was inaccurately drafted.

I ask that it be modified.

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

The amendment is so modified.

The amendment (No. 578), as modified, is as follows:

On page 9, line 16, strike ''$13,000,000'' and insert ''$15,000,000''.

On page 9, line 12, strike ''$25,100,000'' and insert ''$23,100,000''.

Mr. HATFIELD. Mr. President, that will appear in our wrap-up package now that it is corrected. It is easier to correct it now than correct it down the line. That is why I took the time to do that at this point.

I yield the floor.

Mr. MCCAIN addressed the Chair.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. MCCAIN. Mr. President, I know the hour is late, and I will be brief. But I would like to make some comments on the compromise amendment that has been so long in its gestation period today and yesterday.

I want to start out by thanking the chairman of the Appropriations Committee and all those Members of the Senate who have worked to produce a good substitute rescission bill. I give them credit. I am only sorry we had not been able to do more.

Over the last week, freshman Senators have led a noble fight, in my view, to add new cuts to these bills. The amendment originally proposed by my freshman colleagues would have called for cuts in the Corporation for Public Broadcasting, AmeriCorps $206 million, IRS, Foreign Operations, Youth Build, and many other cuts that would have totaled $1.3 billion. Obviously, they sought to have that amendment passed. They were unable to do so for a variety of reasons which are not worth going into now.

But I really want to comment, Mr. President, about the difference that those freshmen bring to this body, which is the message of November 8, which is that we have to make tough decisions. We have to make difficult cuts in the budget and we have to do so because we have an obligation to the American people to balance the budget. Mr. President, we are not going to do that with this compromise amendment.

I especially thank Senator Santorum. I thank Senator Ashcroft, who is in the chair. I thank my colleague from Arizona, Senator Kyl, and many others who played such an important role in their efforts and came here to succeed and maybe will succeed next time. Those cuts that they proposed were difficult decisions. They alienated substantial constituencies in all of their States. But the fact is, we needed to enact those cuts and many more.

I have to say, Mr. President, I am a little bit disspirited because, if we cannot enact these cuts, I wonder what is going to happen when we take up budget reconciliation and we have to consider some really important and difficult reductions in the Federal budget. I am not positive we will have the courage to do so, particularly in light of the rejection of the so-called freshmen amendment.

I point out, in the compromise amendment, there are some good programs. I think they are very nice to have these programs. These add-backs

all have nice-sounding names to them, like TRIO and substance abuse and mental health and Goals 2000 and school-to-work, et cetera, et cetera. But Mr. President, the question is where the role of Government ends and our obligation to the American people to balance the budget begins.

I am particularly pained by the so-called offsets that are in this amendment, because the majority of the offsets, about $1.2 billion of the $1.6 billion, are contained in two so-called offsets. One is for the HUD section 8 project reserves and the other is for airport improvement. Both of those funds will have to be replenished within the next 6 months.

So the fact is what we have done is add back $834 million and really only subtract from that around a couple hundred million. So the offsets are illusory. The offsets are not meaningful.

And it was interesting that Radio Free Europe and foreign operations were two of the major so-called savings in offsets, neither of which have any domestic constituencies. The other one that I see here was Federal administration and travel, which is always a convenient one. If anyone believes that there will be a $337 million reduction in Federal administration and travel that is unspecified, I would say they have more optimism about the Federal bureaucracy's reactions to the mandates of Congress than I have seen in the past.

The PRESIDING OFFICER. The Senator's 4 minutes have expired.

Mr. McCAIN. I did not ask for unanimous consent.

The PRESIDING OFFICER. We are under controlled time.

Mr. McCAIN. I ask unanimous consent for an additional 2 minutes.

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

Mr. McCAIN. I am sorry for taking so much time.

I believe it is important for us to recognize the effort that was made by the freshman Senators. I think it is disappointing that they did not succeed. I urge them to continue in their efforts, because I think they best reflect the views, aspirations, and hopes of the American people, as expressed on November 8.

I am disappointed in this so-called compromise. I hope that in the future we will not agree to such compromises again.

Mr. President, I had yield back the remainder of my time.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

AMENDMENT NO. 579

Mr. FEINGOLD. Mr. President, I voted for the Harkin amendment to transfer $40.5 million from the Board for International Broadcasting and Radio Free Europe/Radio Liberty, Inc. to the Corporation for Public Broadcasting and the seniors community service program because I believe they are higher national priorities than overseas broadcasting is.

Last year I led the fight to reduce RFE/RL's budget from $220 to $75 million—by two-thirds—and to slash their outrageous management perks because I believe that RFE/RL is a cold war relic, which also suffered from terribly sloppy fiscal management in the past. I do have some concerns about this formula, however,

During the debate on consolidation last year, we discovered that because of contractual obligations that the BIB never should have entered into on behalf of the U.S. Government, we have to spend some money this year in order to cap RFE/RL at $75 million next year. It seems to make little sense, but I have done the math many times, and unfortunately, concluded that these sums are necessary if we are to downsize. It actually demonstrates how this organization ran amok for years under the guise of national security interests. In any case, I am concerned that if BIB funds are rescinded this year, we may not be able to reduce fully to $75 million next year.

At the same time, I think CPB is a far better investment that so-called surrogate broadcasting—particularly when we already have radio services to the transitioning democracies through the Voice of America. I am carefully monitoring RFE/RL's budgeting and expenditures. If their request exceeds $75 million next year, I will be the first to propose their termination.

Mr. HOLLINGS. Mr. President, I support the amendment to reduce funding for Radio Free Europe and to restore $40.5 million for programs cut in this bill before us. Specifically, this amendment would restore: $26 million for the Corporation for Public Broadcasting; $14.4 million for the Community Services Program for Older Americans.

Mr. President, for many years, I have been a supporter of the continued operation of Radio Free Europe. Every year as chairman of the Appropriations Subcommittee, I supported the Board for International Broadcasting's appropriations. But, now I look at this rescission bill and I look at the reductions that are proposed for programs like the Corporation for Public Broadcasting, the National Oceanic and Atmospheric Administration, programs to prevent the use of illegal narcotics, and programs that serve the elderly and children—all programs that serve Americans here at home—and I can no longer support the appropriations for the radios. Programs for Americans here at home should and must have a higher priority.

I have listened to the attacks on the Corporation for Public Broadcasting, on support for National Public Radio and Public Television. The other side has argued that taxpayer funds should not be used to support public radio and television. I disagree. Public radio and television are among the finest investments made by this Government. They are an investment in the education of our people. But, if the other side is arguing against taxpayer support for public radio for Americans, how can they justify taxpayer support for Radio Free Europe. And, in this bill that the Appropriations Committee reported they have even proposed supplemental funding for Radio Free Europe while they are proposing rescissions in the Corporation for Public Broadcasting. That simply doesn't make sense.

One of President Clinton's first reinventing government proposals was to phase out Radio Free Europe and to consolidate it with the Voice of America. This country spends over $320 million per year for the Voice of America's operations and facilities, and almost $230 million per year for Radio Free Europe.

We did not phase-out Radio Free Europe. They conducted an impressive lobbying campaign to continue their existence, and the administration backed down. It agreed to reduce the Radios, but not to end their operation.

But, times are changing. The world has changed. The cold war has ended. Many of the nations in Eastern Europe and the former Soviet Union had developed their own media and radio stations, and without jamming, they now had access to the BBC, CNN, Sky Television, and other Western media. Just last week the Washington Post carried an article discussing Russia since the fall of communism. While the article bemoaned the outbreak of organized crime, it also noted that Russia has developed a vigorous, and free mass media.

And, as everyone can see from this rescission bill, times have changed here at home too. We have before us a $13 billion rescission bill. We are cutting programs that Americans rely on.

Mr. President, in the budget game, in the appropriations business, we are continually involved in a process of setting priorities—of determining what is more important than something else. And, when I look at the programs that Senator HARKIN, Senator LEAHY, and Senator REID have suggested in this amendment, for this Senator, there is no contest. They clearly are higher priority than continuing radio stations for Europe.

There is no one in this room that does not think the Older Americans Act Community Service Employment Program has been a success. The average participant is a 68-year-old woman who has just lost her husband and has little or no work history outside the home. There are both elderly men and elderly women in the program, but this is the typical situation. All of the participants are low income by definition.

This program provides a grant to nonprofit organizations to train participants and to place them in jobs. Initially, the program supports them at the minimum wage. For those who have good work skills, it moves them into full-time, unsubsidized employment. For the others, it provides either formal or on-the-job training to prepare for employment.

n any case, the work done by these seniors in libraries, home health agencies, child care centers, and other public, nonprofit, and private jobs is an absolute boon to the community and to the taxpayer. It would be pennywise and pound foolish to send these low-income senior citizens to the welfare line instead of letting them do work that is needed for the minimum wage.

Furthermore, we are talking in committee about getting people off of welfare and into work, and here on the Senate floor we are cutting a program that does just that.

Mr. President, 16,000 elderly people are being supported at the minimum wage nationwide through the Community Service Employment for Older Americans Program. There are 900 in South Carolina alone, and we will cut 106 if this amendment fails. The dignity of these elderly people is certainly more important than overextending our past commitment to taxpayer-funded European radio.

Mr. President, Senator HELMS, chairman of the Foreign Relations Committee, and Senator SNOWE have proposed a major reorganization of our international affairs agencies. They are, at this time, considering major reductions in international affairs agencies. Their proposed organization chart for the reinvented Department of State includes an ''America Desk.'' Well, it is clear to me that time has run out for Radio Free Europe, and we could well help their reorganization effort at this time. Clearly, Radio Free Europe no longer can pass the ''America Desk'' review.

I commend Senators HARKIN, LEAHY, and REID for bringing this amendment to the Senate. Phasing out Radio Free Europe is a tough decision to make. But, it is far preferable to the other reductions that have been proposed in this rescission bill.

I urge the adoption of the amendment.

Mr. SIMPSON. Mr. President, I rise in strong opposition to the pending amendment proposed by the Senator from Iowa.

Let me first state that I fully understand the valid impulses that give rise to an amendment such as this. It takes money from Radio Free Europe, and puts it into a small number of other domestic spending categories, some of them bringing benefits to children and to the elderly.

The point being made is clear. It is one that we always hear whenever we go to our town meetings. If a Senator such as myself stands up to describe the vast increases in direct transfer payments to American citizens—from the young worker to the older retiree—increases which indeed have driven our deficit to near extremity, one always hears the same old refrain in response: ''What are you going to do about foreign aid? What about Congressional perks?''

Of course, spending on those two items amounts to less than 1 percent of the budget. But as long as some of it is still there, one can always gain a few more political points by taking a little bit more out of international spending, and spending a little bit more on the domestic side.

Now, I come to this issue from an unusual stance, which I would hope the Senator from Iowa appreciates. Unlike some of my colleagues on the Republican side, I fully support public broadcasting. I think it is especially valuable in a rural State such as my own, where we simply do not have the market power to make available to our citizens all of the best that commercial programming has to offer in a cost-effective way.

But despite my general support for public broadcasting, I oppose this amendment. It would take $40.5 million out of Radio Free Europe in order to make it available for other domestic programs.

The first point I would make is that there has been a series of amendments here from the other side of the aisle, each of them designed to score big political brownie points by giving more money to children, to the poor, to the elderly. They're trying to make the crude charge stick, that somehow Republicans are wreaking havoc upon all these programs.

It is a war of symbolism, and it is being waged by various feints, jabs and deceptions. I would say to my colleagues over there on that side that I believe this tactic is getting quite worn and tired. The press, believe it or not, is beginning to figure this one out. They did fall a bit for the school lunch sophistry, buying the notion that we were snatching the food out of children's mouths, simply by giving the States more control over that program. But increasingly they are starting to understand what is a cut and what is a slower rate of increase. That's what we are proposing with all domestic and welfare spending generally—and if the American public can't figure that one simple gem of logic out, then they are, all of them, going straight to the poorhouse themselves.

So that's what gives rise to these partisan amendments. And of course, if you want to get some money for the ragged and downtrodden, there is no more politically popular place to get it than something that smacks of the evil term ''foreign aid''—as in Radio Free Europe.

I would say that the U.S. is still getting a very fine return on its investment in Radio Free Europe. One thing that the collapse of the Berlin Wall has shown to us is the power that Radio Free Europe had in beaming a message of hope and freedom to those striving for democracy. It is said by some that, now that the wall has come down, RFE has outlived its usefulness. But we have seen eloquent testimony that this is not the case.

Indeed, Radio Free Europe has moved its base of operations precisely because President Havel of the Czech Republic offered them various forms of subsidy assistance if only they would relocate in Prague. That's what he personally feels about Radio Free Europe's usefulness in the post-Cold War World. If the charge was to be made that Radio Free Europe was too expensive, then the people of Central Europe were willing to chip in their own bucks and give some help in order to enable it to stay.

Radio Free Europe has kept its operation up-to-date and relevant. It remains a tremendous source of reliable information on many subjects of international import, often giving more timely and profound coverage of events that the commercial news services. They have managed to stay ahead of the game in a number of areas of particular movement and importance in recent years—reports on the evolution of ethnic tensions as well as burgeoning controversies in economic and military matters. They provide translations of articles in major international newspapers, and academic analysis of events that cannot always be found in commercial papers and broadcasts.

In a budget in which we devote less than 1 percent of our resources to trying to affect the course of events beyond our borders in a way that is beneficial to us, it seems to me to be very pennywise and pound foolish, to take yet another whack at something which is so inexpensive to the taxpayer—indeed becoming less expensive as a result of the recent decision to move—simply to make the sudden, cynical political point that the loyal advocates of the amendment stand for more spending for the downtrodden.

So I regret to say to the Senator from Iowa that I cannot support his amendment. I would say to him and to the rest of this chamber that if we are squeezing funding for the programs that he has attempted to provide for here, it is not spending on Radio Free Europe that has caused the difficulty. Come the year 2013, unless we do something about entitlement spending, we not only will not have money for Radio Free Europe, but for national defense, highways, prisons—turn them all loose—upkeep of the national parks—nothing. So we should turn the spotlight onto the spending that got us here and we'll be looking for the Senator's vote, otherwise we won't be able to fund any of the programs that the Senator from Iowa or anyone else cares about.

Mr. KENNEDY. Mr. President, I will just take one or two moments at this time, prior to the time that we are going to have a final vote on this issue

on the rescissions, to, first of all, express my own deep personal appreciation for the leadership of Senator DASCHLE, on our side, over the course of this debate and his perseverance in pursuing the restoration of extremely important funding that had been cut in the areas which were targeted on children and on education. There is close to a billion dollars which has been returned to this measure as a direct result of his strong commitment and work over these past days.

Many of us were prepared to have extended debate on priorities, which I think the rescission issue basically brings forward, to try and reflect in this body what we think are the real priorities of the American people with regard to children and with regard to education.

We know that over this year and in the future, we are going to have to be much sharper in prioritizing this country's expenditures. Funding in and of itself is not necessarily the answer to all of our problems, but it is a pretty clear reflection of a nation's priorities. This is particularly true when we are talking about a number of the different items that were included in the measure which was supported by Senator DASCHLE and others, including some Members from the other side of the aisle.

I am speaking about the restoration of the funds at Head Start, Chapter 1, and the day care programs, which are so important for working families, particularly working mothers, and are an indispensable part of our planning if we are trying to be serious about welfare reform. I should also note the return of the funding on the Goals 2000, which will help some 1,300 schools to move ahead in terms of enhancing academic achievement and accomplishment.

Those were extremely important programs. Other important measures that were restored include the School-to-Work Program, which will provide additional opportunities for the 70 percent of the young people that do not go on to college and are facing dead-end jobs when they get out of high school.

Because of the School-to-Work Program that was passed last year and strongly supported with the leadership of President Clinton, we were able to work through a partnership with public and private sectors to try to offer a greater opportunity for young people. That, I think, is important.

I know that Senator KASSEBAUM is working through the restructuring and reorganizing of our youth training programs, and the role of the School-to-Work Program may very well be—I believe will be—the center focus of reform of youth training. It will also help in redesigning the outreach to the some 400,000 young people who drop out of school every year. With this program and some of the other efforts, these dropouts may be brought back into the educational system.

Finally, I want to mention the restoration of funding for the national service program. While we have had some debate and discussion on that measure, I wish we had had the chance to go into greater detail on the extraordinary contributions that so many of the young people in this country are involved in through community service.

If there was really a failing during the period of the 1980's, and we all have our list of shortcomings in national policy, I think one of the important areas was the failure to offer a vehicle and an avenue for young people, particularly, to give something back to their community in the form of voluntary service. We didn't give them an opportunity to repay what the community has done for them.

Under the leadership of President Clinton, we have seen service programs growing, not only in the AmeriCorps programs, but the other programs which are creating an opportunity for service while students are in school, from kindergarten through high schools. In my State of Massachusetts, enormously impressive programs are taking place.

I was talking recently to the service learning director of the community service programs, and she mentioned that Massachusetts is one of the top States in taking advantage of the service learning programs.

We could go on about other programs restored—the TRIO program—and about some that were not, such as the technology programs, which are so important in making sure young people are going to be able to get the best in terms of new technology, and not only technology but training programs in the use of these technologies. All of these are enormously important.

We are going to have debates on these measures as to funding levels in the future. But we want to make very clear in this body and to the country that there are going to be a number of Members that will stand for the children, stand for education, stand for investing in the future of this country by doing all that we can to strengthen the support for the youngest and the most vulnerable. We will support children in the Head Start programs and support strengthening our education system. Another issue we will watch closely will be aid to college students. We must ensure that young people that are taking advantage of the student loan programs, work study programs, and other higher education programs which have been targeted by Republicans over in the House of Representatives are not hurt by Republican cuts. We must make sure the Republicans bent on eliminating these programs are not going to be successful.

I believe that there is a bipartisan coalition for education. Perhaps, had we had more votes on education it would have been reflected in the course of this debate, but I believe it is there. It will be tested over the period of these future months.

I do think in this early skirmish that it is very clear that even though the funding levels are not what I would certainly like to see in these areas, the areas nonetheless where there has been the greatest restorations have been in children and in education. I think that that is what the American people would want. I know that these are what we will want as we go through the process of prioritizing this Nation's needs. We will keep them on the front burner.

Mr. President, I yield the floor.

Mr. DOLE. Mr. President, by my calculation, we should be voting by now. Could I be advised why we are still talking?

The PRESIDING OFFICER. We still have another amendment to be offered, the managers' amendment.

Mr. DOLE. Is anybody entitled to time on the managers' amendment, or are the managers entitled to time?

The PRESIDING OFFICER. There is a total of 15 minutes remaining on the managers' amendment.

Mr. DOLE. I just say to my colleagues, if they want to stay here all night, that is fine. But we are going to come back in the morning if we cannot close this down in about 5 minutes.

It is about 10 o'clock. Most everybody is here tomorrow, and we will come back if we cannot conclude this, come back tomorrow morning. If everybody needs to talk, let them talk and we will come back and vote tomorrow morning.

Mr. President, why can we not proceed to vote on the Harkin amendment?

The PRESIDING OFFICER. The unanimous consent provided that the votes would be stacked.

VOTE ON AMENDMENT NO. 579

Mr. DOLE. I ask unanimous consent that we now proceed to vote on the Harkin amendment.

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

The question is on agreeing to the Harkin amendment No. 579. On this question, the yeas and nays have been requested, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. FORD: I announce that the Senator from Maryland [Ms. MIKULSKI] is necessarily absent.

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

The result was announced—yeas 46, nays 53, as follows:

[Rollcall Vote No. 131 Leg.]

YEAS—46

Akaka	Dorgan	Johnston
Baucus	Exon	Kennedy
Bingaman	Feingold	Kerrey
Boxer	Feinstein	Kerry
Breaux	Ford	Kohl
Bryan	Glenn	Lautenberg
Bumpers	Graham	Leahy
Byrd	Grassley	Levin
Cohen	Harkin	Lieberman
Conrad	Heflin	Moseley-Braun
Daschle	Hollings	Moynihan
Dodd	Inouye	Murray

Pryor	Roth	Warner
Reid	Sarbanes	Wellstone
Robb	Simon	
Rockefeller	Snowe	

NAYS—53

Abraham	Faircloth	McCain
Ashcroft	Frist	McConnell
Bennett	Gorton	Murkowski
Biden	Gramm	Nickles
Bond	Grams	Nunn
Bradley	Gregg	Packwood
Brown	Hatch	Pell
Burns	Hatfield	Pressler
Campbell	Helms	Santorum
Chafee	Hutchison	Shelby
Coats	Inhofe	Simpson
Cochran	Jeffords	Smith
Coverdell	Kassebaum	Specter
Craig	Kempthorne	Stevens
D'Amato	Kyl	Thomas
DeWine	Lott	Thompson
Dole	Lugar	Thurmond
Domenici	Mack	

NOT VOTING—1

Mikulski

So the amendment (No. 579) was rejected.

Mr. HATFIELD. Mr. President, I move to reconsider the vote.

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

The motion to lay on the table was agreed to.

Mr. HATFIELD. Mr. President, may we have order.

The PRESIDING OFFICER. The Senate will come to order.

The Senator from Oregon.

Mr. HATFIELD. I ask unanimous consent to make a technical correction to an amendment previously offered by Senator GORTON and adopted by the Senate. It is a technical correction because the amendment is flawed.

The PRESIDING OFFICER. The Senate will be in order. The Senator will suspend until the Senate is in order.

Without objection, the amendment is so modified.

AMENDMENTS NOS. 580 THROUGH 592, EN BLOC

Mr. HATFIELD. Now, Mr. President, I would like to have the attention of the body.

Mr. President, this is the last act for this bill except final passage, and this is referred to as a managers' wrap-up. What we have done is incorporate into this one action amendments that have been agreed to on both sides. If there is any additional money, it is fully offset. So it is totally deficit neutral. And instead of having them offered one at a time, we are offering them en bloc. Let me enumerate them because those of you who have such amendments make certain that we have incorporated them. The following list: HATFIELD has three, LAUTENBERG, BURNS, MCCAIN, JEFFORDS, PELL, KENNEDY, AKAKA, KEMPTHORNE, INOUYE, and WELLSTONE.

Now, that is our listing of all of the amendments that have been agreed to, cleared.

Mr. President, I ask unanimous consent that the amendments be considered and agreed to en bloc and that motions to reconsider votes by which these amendments were agreed to be laid upon the table en bloc and any statements with regard to the amendments be placed in the RECORD at the appropriate place. And I yield to the ranking member of the committee.

Mr. BYRD. Mr. President, reserving the right to object, I shall not object, these amendments have been cleared on this side and they are fully offset.

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

The clerk will report.

The legislative clerk read as follows:

The Senator from Oregon [Mr. HATFIELD], proposes amendments numbered 580 through 592, en bloc.

The amendments en bloc are as follows:

AMENDMENT NO. 580

(Offered by Mr. HATFIELD, for himself and Mr. BYRD.)

On page 26, line 12, reduce the sum named by ''200,000,000''.

On page 26, line 20, reduce the sum named by ''$200,000,000''.

On page 27, line 21, strike ''$3,221,397,000'' and insert in lieu thereof: ''$3,201,397,000''.

AMENDMENT NO. 581

In Amendment number 437 to Amendment 435 strike the following:

''Of the funds made available under this heading in Public Laws 101–136, 101–509, 102–27, 102–141, 102–393, 103–123, 103–329, $1,842,885,000 are rescinded from the following projects in the following amounts:''

and insert in lieu, thereof:

''Of the funds made available under this heading in Public Laws 101–136, 101–509, 102–27, 102–141, 102–393, 103–123, 103–329, $1,894,840,000 are rescinded from the following projects in the following amounts:''

and strike:

''Tucson, Federal building, U.S. Courthouse, $121,890,000''

and insert in lieu thereof:

''Tucson, Federal building, U.S. Courthouse, $80,974,000''.

AMENDMENT NO. 582

On page 44 line 16 insert:

'': Provided further, Of the available contract authority balances under this hearing in Public Law 97–424, $13,340,000 are rescinded; and of the available balances under this heading in Public Law 100–17, $126,608,000 are rescinded.''

AMENDMENT NO. 583

(Purpose: To restore funding for the purchase of buses and the construction of bus-related facilities as authorized under section 3 of the Federal Transit Act)

(Offered by Mr. HATFIELD, for Mr. LAUTENBERG.)

On page 43, line 17, strike the numeral and insert ''$1,318,000,000.''

On page 46, strike all beginning on line 6 through the end of line 11.

AMENDMENT NO. 584

(Offered by Mr. HATFIELD, for Mr. BURNS.)

At the appropriate place insert the following:

(a) SCHEDULE FOR NEPA COMPLIANCE—Each National Forest System unit shall establish an adhere to a schedule for the completion of National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) analysis and decisions on all allotments within the National Forest System unit for which NEPA analysis is needed. The schedule shall provide that not more than 20 percent of the allotments shall undergo NEPA analysis and decisions through Fiscal Year 96.

(b) * * * other law, term grazing permits which expire or are waived before the NEPA analysis and decision pursuant to the schedule developed by individual Forest Service System units, shall be issued on the same terms and conditions and for the full term of the expired or waived permit. Upon completion of the scheduled NEPA analysis and decision for the allotment, the terms and conditions of existing grazing permits may be modified or re-issued, if necessary to conform to such NEPA analysis.

(c) EXPIRED PERMITS—This section shall only apply to permits which were not extended or replaced with a new term grazing permit solely because the analysis required by NEPA and other applicable laws has not been completed and also shall include permits that expired in 1994 and 1995 before the date of enactment of this Act.

AMENDMENT NO. 585

(Purpose: To address issues of equity in rehiring former Federal employees)

(Offered by Mr. HATFIELD, for Mr. MCCAIN.)

In title II—General Provisions, SEC. 2001 Timber Sales, add the following to the end of subsection (6) SALE PREPARATION: The Director of the Office of Personnel Management, and the Secretary of the relevant Department, shall provide a summary report to the governmental affairs committees of the House and Senate regarding the number of incentive payment recipients who were rehired, their terms of reemployment, their job classifications, and an explanation, in the judgment of the agencies, of how such reemployment without repayment of the incentive payments received is consistent with the original waiver provision of P.L. 103–226.

This report shall not be conducted in a manner that would delay the rehiring of any former employees under this Act, or effect the normal confidentiality of federal employees.

Mr. MCCAIN. Mr. President, I would like to make a few brief comments to describe the intent of the amendment I have offered today to S. 619. It addresses my concerns about the rehiring of former Federal employees who received a voluntary separation incentive payment to leave the Federal service, but now will be rehired under the provisions of this bill.

Under the terms of the ''Federal Workforce Restructuring Act''—popularly known as the buyout bill—Federal employees could receive an incentive payment as high as $25,000 if they voluntarily agreed to leave their agency. These buyouts will help achieve a reduction in the Federal work force of approximately 275,000 employees, which will significantly reduce the size of our Federal bureaucracy and save taxpayers hundreds of millions of dollars.

After receiving such a buyout, the Federal employee would be barred from rejoining the Federal work force for 5 years. A special waiver provision afforded former employees with unique capabilities to be rehired by a Federal agency if no other qualified individual was available.

I supported this legislation, and am pleased that it has already helped reduce the Federal work force by some 30,000 employees. I am concerned, however, by one provision of the recissions bill before us today that would allow individuals who received a buyout payment to be rehired without having to either repay their buyout, or meet the terms of the existing waiver provision.

Mr. President, I recognize the need for highly qualified individuals to be brought back to Federal service with

the Bureau of Land Management and the Forest Service to assist with new timber harvests. They must be brought back quickly, and are likely to be reemployed for a fairly short period of time.

I do believe, however, that the agencies rehiring these individuals should advise the Congress on the extent of former Federal employees who received a buyout and have been rehired. We have a responsibility to ensure that the spirit of the buyout legislation is not abrogated by this new rehiring authority. Furthermore, it would be wise for the Congress to monitor that the taxpayers investment in this buyout program is not improperly utilized.

My amendment is intended to allow the Congress to fulfill these obligations. It would require OPM and the relevant Federal Department to advise the Governmental Affairs Committees of the House and Senate their use of the rehiring authority established in S. 619. More importantly, it will require these agencies to explain how rehiring buyout recipients without a repayment of their separation incentive award is consistent with the original waiver provision of Public Law 103–226.

This requirement will provide the Congress with some idea of not only how many former Federal employees who received a taxpayer funded buyout have been rehired, but also whether their reemployment truly meets the congressional requirement of highly skilled individuals, and a shortage of similarly talented candidates. I do not want to see the expedited rehiring authority established in this bill to be used in such a manner that undermines the merits and purpose of the cash awards given to individuals.

I think it is important that we treat rehired Federal employees fairly in this regard, but we also need to ensure that taxpayers are protected due to the fact that they have paid for the cash buyouts that have been awarded. After all, these voluntary separation payments are intended to downsize the bureaucracy, and save taxpayers money. Individuals should not be able to take advantage of large buyout bonuses and then reenter the Federal service except under very special circumstances.

This amendment will help the Congress evaluate this rehiring program as it proceeds, without hindering the Forest Service or the BLM in their legitimate efforts to bring skilled individuals back into their work force on a short-term basis.

Mr. President, I want to thank Senator GORTON, Senator HATFIELD, and Senator BYRD for their assistance and acceptance of this amendment.

AMENDMENT NO. 586

(Offered by Mr. HATFIELD for Mr. JEFFORDS.)

On page 14, line 12 strike $81,500,000 and insert ''$71,500,000''.

On page 13, strike the figure on line 24 and insert ''$60,000,000''.

AMENDMENT NO. 587

(Purpose: To provide continued funding for the national center for research in vocational education)

(Offered by Mr. HATFIELD for Mr. PELL.)

On page 33, line 9, strike ''$236,417,000'' and insert ''$242,417,000''.

On page 33, line 14, strike ''$8,900,000'' and insert ''$14,900,000''.

On page 34, line 4, strike ''$60,566,000'' and insert ''$54,566,000''.

On page 34, line 7, strike ''$8,891,000'' and insert ''$2,891,000''.

AMENDMENT NO. 588

(Offered by Mr. HATFIELD, for Mr. KENNEDY.)

On page 36 after line 5, insert:

''PROGRAM ADMINISTRATION.

(RESCISSION)

Of the funds made available under this heading in Public Law 103–333, $4,424,000 are rescinded.''

On page 34, line 18, Strike $57,783,000 and insert in lieu ''$53,359,000''.

On Page 35, line 2, strike $6,424,000, and insert in lieu of ''$2,000,000''.

AMENDMENT NO. 589

(Purpose: To restore certain funding for the demonstration partnership program which is administered by the Office of Community Services within the Administration for Children and Families)

(Offered by Mr. HATFIELD, for Mr. AKAKA.)

On page 31, strike line 9 and insert the following: ''Public Law 103–333, $10,988,000 are rescinded.''.

On page 31, between lines 9 and 10, insert the following:

''Of the funds made available under this heading in Public Law 103–333 and reserved by the Secretary pursuant to section 674(a)(1) of the Community Services Block Grant Act, $1,900,000 are rescinded.''

On page 32, line 5, strike $2,918,000'' and insert ''$4,018,000''.

AMENDMENT NO. 590

(Purpose: To make an appropriation for the Advisory Commission on Intergovernmental Relations and to increase the rescission amount for diplomatic and consular programs)

(Offered by Mr. HATFIELD, for Mr. KEMPTHORNE.)

On page 11, line 19, strike ''$2,000,000 are rescinded.'' and insert the following: $2,500,000 are rescinded.

ADVISORY COMMISSION ON INTERGOVERNMENTAL RELATIONS

For the Advisory Commission on Intergovernmental Relations for purposes of section 306 of the Unfunded Mandates Reform Act of 1995 (Public Law 104–4), $500,000.

AMENDMENT NO. 591

(Purpose: To strike the provision that prohibits the application of the Davis-Bacon Act to any contract associated with the construction of facilities for the National Museum of the American Indian)

(Offered by Mr. HATFIELD, for Mr. INOUYE.)

In chapter V of title I, under the heading ''CONSTRUCTION'' under the heading ''SMITHSONIAN INSTITUTION'' under the heading ''OTHER RELATED AGENCIES'' strike '': *Provided further*, That notwithstanding any other provision of law, the provisions of the Davis-Bacon Act shall not apply to any contract associated with the consideration of facilities for the National Museum of the American Indian.''.

AMENDMENT NO. 592

(Offered by Mr. HATFIELD, FOR MR. WELLSTONE)

On page 29, line 16, strike ''$2,185,935,000'' and insert in lieu thereof $2,191,435,000''.

At the appropriate place in the bill insert the following:

Notwithstanding any other provision of this Act, administrative expenses & travel shall further be reduced by $5,500,000.

So the amendments (No. 580 through 592) were agreed to.

Mr. HATFIELD. I thank the Chair.

I move to reconsider the vote by which the amendments were agreed to.

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

The motion to lay on the table was agreed to.

MARKET PROMOTION

Mr. LAUTENBERG. Mr. President, I rise to express my outrage at the provision in this rescission bill that would increase funding for the Market Promotion Program by $25 million in fiscal year 1995. A provision that would increase subsidies for major corporations, at the same time that we are cutting billions from programs that are vital to our Nation's children.

My opposition to the Market Promotion Program is long-standing. I do not believe that the U.S. Government should be spending $100 million a year to subsidize overseas advertising by large corporations.

In recent years, the Market Promotion Program has used taxpayer money to subsidizes such corporations as McDonalds, Miller Beer, Sun Maid Raisins, and General Mills: hardly struggling corporations in need of Government largesse.

It would be a travesty for the Senate to increase spending on this wasteful program while we are considering billions of dollars in cuts from far more important programs in the fiscal year 1995 budget.

How can we cut housing assistance for low-income families and seniors while we increase subsidies for large corporations?

How can the U.S. Senate cut the Head Start Program, the Youth Training program, the National Service Program, the Safe and Drug Free School Zones program, Child Care, Education, and so many other programs that benefit our Nation's children and families, help hard-working Americans, and prevent drug abuse and crime? How can we cut all those programs and then turn around and increase funding for multinational corporations?

Mr. President, this is wrong. Dead wrong. The market promotion program should not be increased. It should be eliminated. If we can cut funding for child nutrition programs and elderly housing, we certainly can ask billion-dollar multinational corporations to do their fair share as well.

I recently introduced legislation that would eliminate the Market Promotion Program and several other wasteful subsidy programs operated by the Department of Agriculture. I am pleased that the Senate has an opportunity today to cut some real waste out of the Federal budget.

I hope that my colleagues in the Senate will join with me in supporting the Bumpers-Bryan amendment.

FUNDING FOR THE UNITED NATIONS POPULATION FUND [UNFPA]

Mr. SIMPSON. Mr. President, I rise today to reaffirm my full support for U.S. funding for the U.N. Population Fund [UNFPA]. President Clinton resumed funding for the Population Fund last year after a 7 year suspension during the Reagan and Bush administrations. Last year, Congress appropriated $40 million for the fund, and $50 million was appropriated for 1995. Unfortunately—and I think unwisely—the House rescinded $25 million of the funding in its emergency supplemental and rescissions bill.

With Senator HATFIELD'S courageous support, the Senate did not rescind any money for the fund in its bill. I am most appreciative of my fine colleagues, Senator HATFIELD and his efforts and longstanding support for international population stabilization activities including the UNFPA.

I do understand that funding for all programs across the board needs to be reduced if we are to properly fund this supplemental bill. However, I do not want to see population programs unfairly targeted for larger reductions than other foreign assistance programs. Reducing the Population Fund's money by one-half is surely an unreasonable reduction in funding.

This huge reduction in funding will surely send exactly the wrong message to the rest of the developed nations across the world. Last year, the United States was seen as the world's leader on population and development assistance at the International Conference on Population and Development in Cairo. I was a congressional delegate at the Conference aid I came away very much impressed with the leadership and direction displayed by Vice President GORE and the assistance given him by our former colleague, Under Secretary of State Tim Wirth in guiding the Conference and its delegates in developing a consensus document on a broad-range of short- and long-term recommendations concerning maternal and child health care, strengthening family planning programs, the promotion of educational opportunities for girls and women, and improving the status and rights of women across the world.

We surely do not want to lose our moral leadership role and relinquish any momentum by abandoning or severely weakening our financial commitment to population and development assistance. The United States needs to continue its global efforts to achieve responsible and sustainable population levels, and to back up that leadership with specific commitments to population planning activities.

That is why it is so very important that we show our support by funding the U.N. Population Fund. The fund is supported entirely by voluntary contributions, not by the U.N. regular budget. There were 101 donors to the fund in 1993, most of which were developing nations. Japan and the United States are the leading contributors to the fund with the Nordic countries not lagging far behind. UNFPA assistance goes to over 140 countries and territories across the world. It would certainly be a real shame if the United States were to back away from its commitment to the world's largest source of material assistance for population programs.

Mr. CHAFEE, Mr. President, I want to join my colleague from Wyoming in expressing my strong support for the United Nations Population Fund (UNFPA). There are many challenges to be faced in the next century with regard to global population growth, and international programs such as UNFPA are critical to the world's population and development assistance efforts.

UNFPA, which receives funds from some 101 donor nations, has had a somewhat tumultuous history in the US over the past decade. Indeed, UNFPA funding was suspended altogether during both the Reagan and the Bush Administrations.

Under the Clinton Administration, modest funding for UNFPA has resumed. However, of the $50 million appropriated for UNFPA in Fiscal Year 1995, $25 million—or one-half—was rescinded by the House of Representatives in its Emergency Supplemental and Rescissions Bill.

Let me emphasize that in these difficult budgetary times, U.S. federal spending, including U.S. contributions to international foreign assistance programs such as UNFPA, need to be adjusted accordingly. However, in this process we must ensure that programs are not unfairly targeted for disproportionate funding reductions. Moreover, I believe it is important in this instance to continue the U.S. leadership role that was demonstrated at the 1994 International Conference on Population and Development in Cairo.

For these reasons, I believe that a 50 percent cut in funding for UNFPA is excessive, and thus unwise. I was pleased, therefore, to find that the Senate rescissions package does not cut the U.S. allocation for UNFPA. I particularly want to commend and thank the Chairman of the Appropriations Committee, Senator HATFIELD, for recognizing the importance of this international effort.

UNFPA will continue only if member nations continue to provide it with support. I believe that the United States has a clear interest in the success of UNFPA and similar population and development assistance efforts, and I join with Senator SIMPSON and my other colleagues in urging the Senate to maintain U.S. support.

Mr. BINGAMAN. Mr. President, as the Senate prepares to take final action on H.R. 1158, I rise to draw the attention of my colleagues to the provisions of the bill and the Dole-Daschle amendment making rescissions in U.S. foreign policy programs. Along with my distinguished colleagues, Senators SIMPSON, CHAFEE, SIMON, and others, I believe a direct and substantial benefit flows to the United States from our modest investment in sustainable development and population efforts. I am pleased the Senate bill rejects specific cuts to these vital programs and instead attempts to minimize harm to on-going, cost-effective foreign assistance programs.

Mr. President, I disagree with certain provisions of the bill before us. Nonetheless, I want to commend the distinguished Chairman and Ranking Democrat of the Senate Appropriations Committee, Senators HATFIELD and BYRD, and the distinguished Chairman and Ranking Democrat of the Appropriations Subcommittee on Foreign Operations, Senators MCCONNELL and LEAHY, for their very commendable effort to make equitable rescissions in U.S. foreign policy programs.

It is significant that the cuts recommended by the Foreign Operations Subcommittee are not based on a fundamental dislike for particular programs. Nor are they driven by a belief that one or two foreign aid programs are unnecessary. Rather, the Subcommittee's recommendation of $100 million in general reductions to programs within its jurisdiction reflects the laudable belief that deficit reduction can be achieved in a manner which minimizes harm to all programs.

Over the next few weeks, as my colleagues on the Appropriations Committee take this bill to conference with the House, I urge them to remain firmly committed to the Subcommittee's goal of making equitable rescissions in foreign policy programs. More specifically, I urge them to resist House efforts to target and cut vital population and development programs.

Under the House-passed bill, population and development programs would disproportionately bear the burden of foreign policy rescissions. Development assistance would be cut by $45.5 million and population assistance would be targeted for $9 million in cuts. In my view, these cuts are extremely shortsighted. In the long-term, they could end up costing the U.S. far more than we would save in fiscal year 1995. The Senate should remain firm in its commitment to making foreign policy rescissions that are rationale and fair, and the House rescissions should be rejected in Conference.

From my perspective, attention to global population issues and support for world-wide development is critical to our future successes here in the United States. Because I so strongly believe this, I joined with Senator SIMPSON—and Congressman BEILENSON and Congresswoman MORELLA—to introduce legislation called the ''International Population Stabilization and Reproductive Health Care Act,'' S. 1096, in the 103rd Congress. Our bill, which we are revising for re-introduction in this Congress, would have focused U.S.

foreign policy on a coordinated strategy to help achieve world population stabilization; encourage global economic development and self-determination; and improve the health and well-being of women and their children.

I believe these three objectives are inextricably tied to one another. The way I see it, all U.S. efforts to help develop economies and promote democracy around the world will be futile if we do not first address the staggering rate of global population growth. How can we expect under-developed countries to pull themselves up when the world's population is growing at a rate of more than 10,000 people per hour? When the women and men who make up a nation's workforce pool do not even have the right to plan their families? And when millions of women around the world do not have access to basic—and lifesaving—reproductive health care or educational opportunities?

Fortunately, national and international awareness of two fundamental concepts is growing: (1) population, poverty, patterns of production and consumption, and the environment are so closely interconnected that none can be considered in isolation; and (2) sustained economic growth, sustainable development and population are fundamentally dependent on advances in the education, economic status and empowerment of women.

Tonight, we in the Senate are re-affirming these principles, and we are rejecting the House's attempt to drag U.S. foreign policy backwards. I sincerely hope the Senate conferees carry this message into Conference. I urge them not to waiver from the Senate's position on this issue.

AMENDMENT NO. 445

Ms. MOSELEY-BRAUN. Mr. President, I rise today in strong support of the amendment proposed by the minority leader that would restore funding for several important programs that address the needs of our Nation's children.

Mr. President, the bill we are debating here today, H.R. 1158, would rescind $13.4 billion in previously appropriated funds—including $600 million appropriated last year for Federal education programs.

Needless to say, I am vehemently opposed to taking this kind of giant leap backward. In my view, it would be unconscionable for Congress to reduce the Federal Government's share of public education funding which has already fallen from 9.1 percent during the 1980–1981 school year to 5.6 percent during the 1993–1994 school year.

It is vital to the interest of our Nation that we maintain quality public education for everyone. Education is not just a private benefit but a public good. It is the cornerstone of a healthy democracy and, as a society, we all benefit from a well educated citizenry.

We are currently experiencing a new era in economic competition. All over the world, barriers to trade between nations are falling. We are witnessing the development of a truly global marketplace. I believe that America can lead the way in this marketplace. But if we are to succeed, if we are to retain our competitiveness into the 21st century, there must be a renewed commitment to education in this country.

Several international institutions recognized the increasing importance of education just a few weeks ago at the United Nations summit on social development when they urged developing nations to invest in education rather than on defense.

In fact, for the first time in history, over 130 world leaders also agreed to a non-binding goal known as the 20–20 proposal which recognizes that economic and social problems have global consequences by creating immigration problems, epidemics, markets too poor to buy exports, and economies too risky for investors.

This proposal encourages all donor nations and international institutions to earmark 20 percent of their foreign aid for basic social needs including education and health care. It also encourages developing nations to allocate 20 percent of their expenditures to the same underfinanced sectors.

Nonetheless, while leaders from around the world were recognizing the increasing importance of education, Members of the U.S. House of Representatives were busy passing H.R. 1158. If enacted, H.R. 1158 would rescind $17 billion—including $1.7 billion in education funding for our Nation's children and $2.3 billion in job training funding for our Nation's unemployed youth.

In fact, this legislation would also withdraw funding for all new education initiatives—including the education infrastructure act which I introduced last April to help local school boards ensure the health and safety of their students.

Mr. President, I simply do not understand why some of my colleagues are so determined to slash funding for programs that increase economic, social, and educational opportunities for our Nation's children. According to the Children's Defense Fund, every day in America: 3 children die from child abuse; 15 children die from guns; 27 children die from poverty; 95 children before their first birthday; 564 babies are born to women who had little or no prenatal care; 2,217 teenagers drop out of school; 2,350 children are in adult jails; 100,000 children are homeless; and 135,000 children bring guns to school.

Although S. 617 would reduce our investment in our Nation's children by less than H.R. 1158, it still asks them to bear too much of the pain created by this effort to pay for emergency spending.

The Daschle amendment would improve the bill by restoring $1.3 billion for some of the most important and successful education and job training programs in this country. More specifically, the Daschle amendment would provide: $42 million for the Head Start Program which has successfully given hundreds of thousands of pre-schoolers the chance to start school ready to learn; $100 million for the Safe and Drug Free Schools Program which is helping local school districts keep drugs and guns out of our Nation's $72 million for the Chapter 1 Program which has helped States and local school districts meet the educational needs of economically disadvantaged children for 30 years; $69.6 million for the goals 2000 program which is helping States create coherent frameworks for education reform founded on the national education goals; $30 million for the school-to-work program which helps States and local school districts improve the educational and employment opportunities of our Nation's high school students who do not plan to attend college; $8.8 million for the immigrant education program which helps local school districts meet the educational needs of recently arrived immigrant children; $16.3 million for the impact aid program which compensates local school districts for revenue losses incurred due to removal of Federal property from local tax rolls; $35 million for the WIC Program which provides important nutrition supplements to 6.5 million women, infants, and children everyday—including more than 3 million children under 5; $100 million for the Youth Training Program which helps States prepare youth and young adults for high skill, high wage careers; and $210 million for the Americorps Program which provides a $4,725 scholarship to individuals who serve the educational, environmental, public safety, and human needs of our communities.

By providing this needed and long overdue support, the Daschle amendment will begin to address our failure to adequately engage resources in behalf of preparing our children for competition in the emerging global economy. It will help our children to succeed—to make a living, to participate in the community, to enjoy the arts, and to understand the technology that has reshaped our workplace. This is in our children's interest; this is in our national interest.

Mr. President, I would like to conclude my remarks by urging my colleagues to support these investments in our Nation's children by voting for the Daschle amendment.

Mr. KERRY. Mr. President, while there are a number of features of the Daschle amendment which significantly improve this legislation, I would like to draw particular attention to two provisions that reinstate funding the original bill intended to rescind—$14.7 million for the Substance Abuse and Mental Health Services Administration [SAMHSA] and $100 million for the Safe and Drug-Free Schools Program—because it was my intention prior to their inclusion in the Daschle

amendment to offer amendments to restore these funds and to offset the consequent additional costs by rescinding funds from programs less vital to our Nation and its people.

SAMHSA funds both Substance Abuse Block Grants and the Children's Mental Health Program. Substance Abuse Treatment Block Grants are the most important vehicle of support for substance abuse treatment efforts in this country. Funding for these grants cannot be compromised if we are to succeed in our efforts to reform welfare, reduce crime, and contain health care costs. The grants account for over one-third of the funding for public substance abuse treatment nationwide.

The California Drug and Alcohol Treatment Assessment, July 1994 [CALDATA], found that each day of substance abuse treatment pays for itself on the day it is received, primarily through reductions in crime. The Rand Corporation reports that drug treatment is the most cost-effective form of drug intervention, compared with other potential drug strategy program options, such as interdiction or imprisonment.

Mr. President, every $1 invested in drug treatment saves taxpayers $7 dollars. There are several sources for this figure, including CALDATA and the National Institute on Drug Abuse.

The heavy toll drug use exacts on the United States is most easily measured by the criminal and medical costs imposed on and paid for by the Nation's taxpaying citizens. One major study, conducted by Dorothy Rice at the Institute for Health and Aging at the University of California at San Francisco, concluded that drug abuse costs taxpayers $67 billion, alcohol abuse costs $99 billion, for a total cost to the Federal Government of $166 billion per year. ''The impact of substance abuse and addiction on Federal entitlements is equivalent to more than 40 percent of the Federal deficit for 1995,'' states Joe Califano, former HEW Secretary and President of the Center on Addiction and Substance Abuse (CASA) at Columbia University. Ninety-two percent of the funds spent by health care entitlement programs as a result of substance abuse are used to pay for treatment of the consequences of such abuse; only 8 percent is spent to reduce dependency.

The costs to the Federal Government do not begin to account for the higher costs substance abuse wreak on the private economy. Every man, woman, and child in America pays nearly $1,000 annually to cover the costs of unnecessary health care, extra law enforcement, auto accidents, crime, and lost productivity resulting from substance abuse, according to a Brandeis University study.

The impact of substance abuse on crime is staggering. Substance abuse is linked to between one-quarter and one-third of all suicides, according to the Public Health Service, and the Alcohol, Drug Abuse, and Mental Health Administration. Substance abuse is linked to half of all homicides, rapes, spousal abuse, and traffic fatalities. Substance abuse is linked to two-thirds of all cases of manslaughter, drownings, burglaries, robberies, thefts, and assaults.

According to a study by the National Association of State Alcohol and Drug Abuse Directors [NASADAD], approximately 1 million people—40 percent of those in need—want and pursue substance abuse treatment at this moment but do not get it: instead of helping them to help themselves, the Government leaves them sitting on waiting lists across the country.

These individuals—the vast majority of which are mothers, workers, or professionals—are willing and eager to improve their lives and the lives of those around them, but the government fails to extend a helping hand. Not only taxpayers, but society at large, foots the bill for this neglect.

SAMHSA also funds the Children's Mental Health Program, which provides services for children with very serious emotional disturbances [SED]. This program is targeted at the 1 million children with SED—out of 7.5 million nationwide—who are in State-administered systems encompassing child welfare, juvenile justice, and special education programs. This amendment restores $1.3 million to this program that the bill would have rescinded. This money goes to 22 service sites that will not survive without the funds. The future of these children is at stake.

Even in the face of all these facts, Mr. President, the rescissions bill—prior to the Daschle amendment—would have taken a random, unexplained, unjustifiable slice out of the budget for SAMHSA.

At the same time, it would have taken $100 million out of the Safe and Drug Free Schools—Safe Schools—program.

Mr. President, on this subject, I would like to take a few moments to talk about a reality that is very separate from the one in which my colleagues and I live.

Someone who lives in this reality, Mr. President, wakes up worried that today he could very well be killed. He realistically expects that someone he knows might be shot this week, or stabbed, or beaten. He goes through his day fearing everyone who passes by, constantly alert for trouble and danger, always keeping an eye on the nearest exit or hiding place. He might carry a weapon, purely for protection, and hide it on his person—a crude knife hidden in his sleeve, a length of pipe tucked into his boot, a makeshift handgun in his pocket, a box-cutter taped to his stomach. One hand is probably always on this weapon, this small piece of security. If he makes it back to bed at the end of the day, he will be thankful, relieved, and certainly a little surprised.

This reality is not a war, and the people who inhabit this world are not soldiers. This reality is only blocks away from this Chamber, and is mirrored in towns across our country. And the participants in this reality are not adults, they are children, they are as young as 5 and 6 years old, and rarely over the age of 18. I am talking about the reality found in many elementary and secondary schools across the United States, where 150,000 students bring a gun every day; where shootings and stabbings are commonplace; where gangs are in control; and where 3 million violent crimes are committed each year. I am talking about a national disgrace, a monumental embarrassment, a failure on the part of all who care about the future of this country and the quality of life of our children.

I am talking about a state of events that we cannot tolerate, that we cannot allow to endure.

In the Steven Speilberg film ''Schindler's List,'' a Nazi soldier stands on the balcony of his home overlooking the busy center square of a Jewish concentration camp. Calm and precise, he aims his powerful rifle at random Jews passing through the crowded streets below, and effortlessly pulls the trigger. His aim is never faulty, and he always succeeds in ending a life. The people near the murder recoil in fright only momentarily, then continue on their way, perhaps a little quicker, perhaps a little slower, thankful for the moment that the gun was not trained on them, fearful that the next shot will terminate their existence. The bullet has struck them, too, and changed them permanently, leaving them forever horrified, forever damaged, forever in shock.

This sequence is brutally painful for so many reasons. The only relief I expected to feel when I watched this sequence was the lack of any connection between the events on the screen and present day reality in America. But such a connection is exactly what I felt. Violence in portions of our country has become so rampant and so deadly that almost all of us live in a collective state of fear and acceptance. Our cities and schools have become infested with random violence and bloodshed and criminals with no conscience and no check on their destructive impulses. And when this state of affairs has infected our Nation's schools, then we know that our children are going to be conditioned to accept this disease as normal. Not only are some of our children dying in our Nation's schools, but the ones who survive are learning that murder and violence are simply a part of life—in fact, the most important part. Mr. President, we are permitting our Nation's youth to grow up emotionally scarred, terminally frightened, and permanently embittered.

Mr. President, the Safe Schools Program is a necessity if this systemic child abuse and neglect is to cease.

A study examining the effects of the first 2 years of funding for the Safe Schools Program showed increases in

the number of school districts with formal drug and violence prevention programs in every State and territory in the United States.

The same study also showed increases in school-community collaboration on drug prevention issues in 50 States and territories; increases in parent involvement in drug education efforts in 49 States and territories; increases in the degree of community involvement in prevention programs for youth in 46 States and territories; and increases in the number of high-risk youth served in drug education programs in 38 States and territories.

Prior to the Daschle amendment, the rescission would reduce or eliminate violence and drug prevention programs serving approximately 39 million students attending the schools operated by 94 percent of local educational agencies in the Nation.

Also at risk would be every state Governor's drug and violence prevention programs designed for youth not served by local educational agencies. So would be the development and distribution of publications on school violence and drug/alcohol prevention, which have been the cornerstone of nationwide efforts to provide schools with information on models and effective practices. The Parent's Guide on Drug Prevention alone has been requested by over 30 million persons.

The original rescission would have eliminated assistance and model development in the area of alternatives to expulsion. With expulsion rates increasing dramatically in several regions, it is essential to provide leadership in this area, or more and more kids will go straight from the schoolhouse to the courthouse.

Consequently I commend the Democratic leader for his leadership and his sensitivity to the importance of these issues. I appreciate the opportunity to work with him to gain the inclusion of these important provisions in his amendment. And I am pleased that the ultimate goals of the amendments I intended to offer were realized. Since the House version of the rescissions bill rescinded no funds from SAMHSA, fiscal year 1995 funds for SAMHSA are now secure. I wish I could say the same about Safe Schools funds. The House bill eliminated Safe Schools funds altogether. I urge the conferees to the rescissions bill to protect Safe School funds. We owe the children and the future of this Nation nothing less.

AMENDMENT NO. 448

Mr. BRADLEY. Mr. President, I rise this afternoon to express my wholehearted support for the Sense of the Senate resolution proposed as an amendment today by Senator KENNEDY. As a member of the Finance Committee, I offered an amendment to H.R. 831 that would have closed a loophole that allows wealthy citizens who renounce their American citizenships to avoid U.S. taxes. My amendment would have dedicated all of the savings from closing this loophole to deficit reduction. According to estimates of the Joint Committee on Taxation, my amendment would have reduced the deficit by approximately $3.6 billion over the next 10 years.

Unfortunately, although the Finance Committee adopted this amendment on an undivided voice vote and the Senate approved it as part of H.R. 831, the joint House-Senate conference committee re-opened this loophole. Senator KENNEDY's resolution simply expresses the sense of the Senate that in the interest of tax equity and in the face of on-going Federal deficits, we must close this loophole.

Mr. President, the amendment that I proposed was fundamentally about fairness. Not only is it fair to those who enjoyed the benefits of U.S. citizenship to make billions and are now attempting to avoid paying tax on such gain, it is also fair to those Americans who stay behind to shoulder the burdens of citizenship. All my amendment would have done is treat those who renounce their citizenship on par with Americans who stay and pay their share of the tax burden.

While U.S. citizenship confers tremendous benefit, it also requires responsibility. Although we may not always be happy about the amount, most of us willingly pay our fair share of the tax burden. However, for many Americans it becomes just too much when they have to pay not only their share of taxes, but also an additional share for those few, wealthy individuals who made their money in this country, but are now trying to skip town without paying their portion of the tab.

Significantly, my amendment would have excluded pension income, real estate assets, and the first $600,000 in gain. As a result, of the roughly 850 U.S. citizens who renounced their citizenships in 1994, only a handful would be affected by the closing of this loophole. In fact, representatives from the Treasury Department testified that the amendment would have affected only 24 Americans each year.

Mr. President, significant deficit reduction will be necessary to put our country back on the right track. However, until we close these special-interest tax loopholes for the few, we cannot ask for the shared sacrifice from the many that will be necessary to reduce the deficit. Therefore, I urge all of our colleagues to support the Kennedy sense of the Senate amendment.

AMENDMENT NO. 470—RENEWABLE ENERGY

Mr. JEFFORDS. Mr. President, the rescissions bill we are discussing today, H.R. 1158, cuts $35 million from the Department of Energy's solar, wind and renewables research and development budget. The amendment I offer today will limit to $25 million the amount to be rescinded from this account, thereby protecting vital renewable energy programs. I offer this amendment on behalf of myself, Senator WELLSTONE, Senator CHAFEE, Senator DASCHLE, Senator ROTH, Senator CAMPBELL, Senator HARKIN, Senator LEAHY, Senator Kerry, Senator PELL, Senator KOHL, Senator KENNEDY, Senator MURRAY, and Senator FEINGOLD.

Mr. President, this amendment is about creating jobs, reducing our foreign debt, reducing our reliance on imported oil, making American business more competitive, maintaining our commitment to these small energy companies and continuing on the path of developing clean, cheap, efficient energy.

Mr. President, we are proposing to restore $10 million to the Department of Energy's solar, wind and renewables R&D budget. This money is primarily used for research, joint ventures with small U.S. companies, market development and commercialization. Federal support for renewable energy research and development has been a major success story. Costs have declined, reliability has improved and a domestic industry has been born. More work still needs to be done in basic research at our national labs and applied development to bring down costs and work with industry.

The $10 million we restore to renewables will come from the $1 billion Army Corps of Engineer's construction account.

Mr. President, I hope my colleagues will vote for clean domestic energy, domestic jobs, reduced trade deficit and a stronger economy. I would like to thank the managers of this bill for their support.

Mr. WELLSTONE. Mr. President, I just want to express my appreciation to the Senators from Oregon, West Virginia, New Mexico, and Louisiana for their help in allowing this amendment to go forward. The amendment decreases the recission from renewable energy research and development by $10 million, paying for it by increasing the recission for the Army Corps' general construction activities by the same amount.

This amendment reflects the growing recognition that funding for research and development of renewable energy technologies is money well-spent. The recission provided in the Committee Substitute was just too high.

There is a nationwide movement toward funding only R&D that is going to lead to commercially viable, economically realistic technology in the relatively short-term. Renewable energy R&D fits that description. Renewable energy R&D has been and continues to be a major success story. Costs have declined, reliability has improved, and a domestic industry has been born. While the United States is currently the world leader in renewable energy technologies, other nations are investing heavily in this area. Given that many utilities are averse to investing in new technologies, the continued strength of DOE's programs is necessary to protect our position in the world market.

The American people agree that renewable energy R&D ought to be a priority for Federal R&D funding. According to a December 1994 survey by RSM Inc., when asked what energy source should be highest priority for R&D spending, Americans overwhelmingly supported renewables. The top finisher was renewable energy, receiving 42 percent of the vote.

Again, I appreciate the help of my colleagues in making acceptance of this amendment possible. It is time that our federal energy R&D dollars reflect the public's funding priorities.

AMENDMENT NO. 490

Mr. PELL. Mr. President, I offer this amendment on behalf of myself, Senator FEINSTEIN, Senator FEINGOLD, and Senator SIMON.

The amendment will insure continued funding for the National Center for Research in Vocational Education. The Center is a consortium of institutions of higher education in California, Wisconsin, Illinois, New York, and Virginia. The Center is widely recognized for the important research work it does in vocational education, and it would be very unfortunate, indeed, if funding to permit it to continue its work were curtailed.

As my colleagues know, we will soon be considering reauthorization of the Vocational Education Act. The work of the Center has provided the authorizing committee invaluable information to help guide and facilitate our work. But even more critical, their research efforts are vital to improving the quality of vocational education throughout our Nation.

I view the amendment as an important placeholder so that when the Senate and House conferees meet on this legislation, they will have the opportunity to give this matter full and complete consideration. I am very hopeful they will ultimately decide to retain funding for the Center, but without this amendment there will be no chance whatsoever to provide continued funding for the Center and the important work it does.

CITIZENSHIP TRAINING AND NATURALIZATION SERVICES

Mr. SIMON. Mr. President, I and my colleagues from California and Illinois, Senators FEINSTEIN and MOSELEY-BRAUN, had intended to offer an amendment restoring $6 million dollars for citizenship training and naturalization services that had been rescinded in the Senate, but not in the House.

Although naturalization has been identified as a priority by the administration in its immigration policy, naturalization services have been chronically underfunded and naturalization backlogs begin to grow. It is my believe—and I belief that of my colleagues—that these funds are essential to the important goal of providing those who want to naturalize with an opportunity to do so. Admittedly, $6 million dollars is a small amount of money, but the program rescinded in the Senate is crucial to the continued health of those providing citizenship training.

In discussing my intention with the Honorable Chairman of the Labor/HHS Appropriations Subcommittee, Senator SPECTER, I was impressed with his willingness to attempt to resolve this problem in conference with the House of Representatives, which, as I mentioned before, did not rescind the $6 million in citizenship training money. I would like to ask the Honorable Chairman if it is in fact his desire to take a second look at the $6 million citizenship money in conference.

Mr. SPECTER. I thank the Senator from Illinois. The committee's intent, in recommending this rescission, was to revisit funding once authorizing legislation has been enacted through the regular process of Judiciary Committee consideration. There is some concern that adding this responsibility to the Office of Refugee Resettlement in the Department of Health and Human Services could increase pressure on already underfunded domestic resettlement activities, as opposed to placing responsibility under the Immigration and Naturalization Service. I believe this is an issue the authorizing committees need to address. Nevertheless, it is indeed my intention to resolve this matter in conference to the satisfaction of all those who—like myself—value legal immigration and recognize the importance to our immigration policies of an effective naturalization process. I look forward to working with the distinguished Senate Appropriations Committee Chairman, Mr. HATFIELD; my counterpart in the House, Congressman PORTER, chairman of the House Labor/HHS Appropriations Subcommittee; and the other conferees to address this issue, and I thank Senator SIMON, Senator FEINSTEIN, and Senator MOSELEY-BRAUN for their attention to this important matter.

Mr. SIMON. I thank the Senator from Pennsylvania. His concern for issues of legal immigration and naturalization has long been recognized, and I am gratified that he will undertake to review seriously, and hopefully restore, the $6 million Senate rescission with our colleagues in the House.

THE MILDGAS PROCESS UNIT

Ms. MOSELEY-BRAUN. Mr. President, this amendment has a simple purpose—to restore $4.8 million in fiscal year 1995 fossil energy research and development funds to help complete a small coal technology testing facility, the Mildgas Process Unit.

I am joined in this amendment by my distinguished senior Illinois colleague, my good friend, Senator SIMON.

The Mildgas Process Unit is a facility that will test a technology known as mild gasification, a process where lower-grade domestic coals are heated at moderate temperatures and pressures to produce a variety of gaseous fuels, liquid hydrocarbons, and a solid product known as char.

Char, the primary product of the Mildgas facility, can be briquetted into form coke, creating a new alternative to conventional coke now used by American steel firms and foundries. This is particularly important because the Clean Air Act Amendments of 1990 imposed strong restrictions on the emissions from coke ovens.

Those are two major reasons why my amendment is important, Mr. President. For a modest investment today, the Mildgas experiment promises hundreds of millions of dollars in new uses tomorrow for Illinois Basin and Appalachian high-sulfur coals. And those new uses solve a significant economic and environmental problem of our Nation's iron and steel industries.

However, I am concerned that the decision to cut funds for the Mildgas Process Unit has been based principally on deficit reduction, and on a belief that this technology is unwanted and unneeded.

This year, overall Federal spending will be in excess of $1½ trillion, and it will take $1.2 trillion in deficit reduction to achieve a balanced budget by the year 2002. Laid along figures of that size, the $4.8 million we seek for the Mildgas project may seem to be a small matter.

That is not to say that its relatively small size should not immunize the Mildgas project from review. After all, to paraphrase a famous Illinoisan who preceded me in the Senate, the Senate Republican leader of his day, Everett Dirksen, ''A few dollars here, a few dollars there, and pretty soon you're talking about serious money.'' What that means, it seems to me, is that nothing can be off limits—not small items, not large items, not any item.

I therefore agree that review of Federal support for mild gasification technology demonstrations is both necessary and appropriate. It is because my own review of the facts convinces me that going forward is the right decision, the prudent decision, and the right budgetary decision, that I am offering this amendment to restore funding toward completing the Mildgas project.

It is worth noting, in this era of concern about earmarks and pork-barrel spending, that this project did not originate with the Congress. The Department of Energy originally selected this project in 1991 in a competitive solicitation. The Mildgas project had to compete with a number of other proposals.

In the years since the Mildgas project won that competition, over $7.5 million has been provided by Congress—half of the Federal share. The State of Illinois has funding that amounts to 20 percent of the total cost. A team of participants, which includes Kerr McGee Coal Corp., Southern Illinois University, and the Institute of Gas Technology in Chicago, has broken ground at the Coal Development Park in Carterville, IL, in preparation to test this technology.

The contracts are now in place to turn this demonstration into reality. Construction of the facility will end

late 1995, followed by 1 year of testing, after which the project will be shut down.

I am well aware that there are several similar projects currently being funded by the Department of Energy. But, success cannot be defined as simply demonstrating one example of a broad class of mild gasification technologies. The spectrum of mild gasification techniques is quite broad. There are different types of coals used, products produced, and markets served.

That is why the Mildgas process unit is important. It does not reinvent the wheel. It does not duplicate other mild gasification technologies. It is unique.

Mildgas can use many types of coals. The Encoal clean coal demonstration project in Wyoming, a project often compared to Mildgas, utilizes only Western coal. Mildgas technology makes use of Illinois, Wyoming, and West Virginia coals.

And although Encoal's primary product is a value-added fuel, its market is still only a boiler fuel. Mildgas's product, char, creates an entirely new market for high-sulfur and lower-grade coals, and solves an environmental problem for the Nation's steel industry. And as aging coke ovens are shut down and not replaced, Mildgas can provide American steel industries with a domestically produced alternative to importing coke from the same countries that are our steel-making competitors.

Encoal and the other mild gasification technologies have been, and I hope will continue to be, successful, but their success will not address the Illinois Basin and Appalachian coals that Mildgas will use, nor meet the environmental needs of the steel industry like Mildgas will.

Mr. President, the Mildgas Process Unit is based upon years of detailed planning, investment, and careful research by industry and scientists in close cooperation with the Department of Energy. It deserves to continue.

Mildgas does not break the bank. For a minor investment today, Mildgas can open hundreds of millions of dollars in markets tomorrow.

Mildgas can help the coal industry, by exploring a way to shift high-sulfur coals from markets reduced by the Clean Air Act, to markets opened.

And, Mildgas is unique. Mildgas uses coals, produces products, and serves markets that other mild gasification technologies simply do not. I think it is worth investing a few more years to complete this experiment.

I strongly urge my colleague, the distinguished Senator from Washington, to give every consideration in conference to providing the necessary funds to complete the Mildgas Process Unit.

Mr. GORTON. I thank the Senator from Illinois for her comments regarding the mild gasification facility planned for southern Illinois. As I am sure the Senator knows, given the budget constraints that the committee was forced to confront, we were simply unable to include the funds needed to initiate construction of the Mildgas Process Unit. I can assure the distinguished Senator, however, that I will give appropriate consideration to this project within the budget limitations that we will continue to face in conference.

FEDERAL EMERGENCY MANAGEMENT AGENCY

Mr. PRESSLER. Mr. President, I rise at this time to voice my concerns with apparent inconsistencies in the administration of disaster recommendations by the Federal Emergency Management Agency [FEMA].

As my colleagues well know, H.R. 1158, the fiscal year 1995 Disaster Supplemental/Rescissions Bill, contains $1.9 billion for outstanding expenses accrued from previous disasters in 39 States, including recent flooding in Southern California.

I am sure all of us have seen news footage of the raging winter storms that have wreaked havoc across virtually the entire State of California. The devastation families have endured is terrible. As a result, the President—acting on recommendations made by FEMA—declared many California counties disaster areas. This includes Ventura County, which is located along the Southern California coast north of Los Angeles.

There is one particular area of Ventura County I would like to call to the attention of my colleagues. Homes located on a hillside in La Conchita, CA recently sustained considerable damage. Because of the President's declaration, private and public property damaged by the disaster is eligible for four different kinds of FEMA assistance. These homeowners rightfully have the hope of relief.

My concern is not with the fact that relief is being made available to those affected by the La Conchita mudslide. Rather, I am concerned with what I believe could very well be an inconsistent approach to disaster recommendations made by FEMA.

Permit me to explain. Mr. President, geologists have known for several decades that the La Conchita hillside has been moving for 23,000 years. In other words, La Conchita was a potential disaster waiting to happen. Thus, FEMA is making relief available in response to a disaster resulting from a preexisting condition. This is a policy vastly different from one FEMA applied last July.

I see my colleague, the chairman of Appropriations Committee, is now on the floor. I ask the Senator if he is familiar with a similar situation that occurred in Lead, SD.

Mr. HATFIELD. No, I am not familiar with the situation. Could the Senator from South Dakota please explain.

Mr. PRESSLER. I thank the Senator from Oregon for inquiring.

Last May, a slow moving landslide damaged homes, businesses, and infrastructure. This landslide was exacerbated by excessive precipitation. Despite a request by the governor of South Dakota and the urging of the State's Congressional delegation, FEMA recommended that the President deny South Dakota's relief request for the Lead landslide. According to FEMA, the landslide resulted from a preexisting condition and did not pose ''an immediate threat to public health, safety, and improved property.''

The Lead landslide forced the community's only grocery store, pharmacy, and discount store to close. Some of the stores were forced to relocate to the community hall and church basement.

Clearly, the people of Lead suffered a great deal. This isolated community has yet to reopen the only grocery store in the area. Although the Economic Development Administration has offered a grant to help mitigate the slide, the city will have to sacrifice vital repairs to streets, gas lines, and water lines.

By contrast, the residents of the La Conchita hillside in Ventura County will have access to expedited FEMA assistance. This lack of consistency concerns me.

I would like to verify with the Senator from Oregon that monies provided in H.R. 1158 will be used, in part, to assist the victims of this winter's storms in California. Is this correct?

Mr. HATFIELD. The Senator from South Dakota is correct. The bill, in its current form, provides $1.9 billion to FEMA for disaster relief functions including expenses resulting from disasters in 39 States. Report language accompanying this bill acknowledges that these funds may be used to ensure unforeseen expenses associated with the recent disaster in California resulting from winter storms.

Mr. PRESSLER. I also understand my concerns regarding the consistency of disaster declarations are shared by others. As Chairman of the Committee, I am sure the Senator from Oregon is very familiar with questions regarding disaster declaration criteria. Does the Senator from Oregon agree this is a common concern?

Mr. HATFIELD. Yes, I do agree with the senior Senator from South Dakota. As he well knows, the General Accounting Office, the Congressional Research Service, and the Congressional Budget Office recently released a comprehensive study of the entire relief process.

Mr. PRESSLER. Will the distinguished Senator from Oregon agree that it is imperative that FEMA apply its declaration criteria consistently, regardless of where the disaster is taking place?

Mr. HATFIELD. I could not agree more with my friend from South Dakota. Consistency in the disaster declaration process should be a reasonable expectation of all Americans.

Mr. PRESSLER. I think it is clear, Mr. President, that FEMA needs to take a close look at its current declaration policies.

The similarities surrounding the landslides in Lead and Ventura County are striking. For the residents of Ventura County, FEMA's response is reassuring. For the people of Lead, the response from FEMA is disconcerting. I must stress a point I have made on this very floor in the past: Disasters occurring in isolated rural areas do not seem to capture the attention of the national media, Federal agencies, or the President. Lead, SD, does not compare to Southern California glamour, and it certainly is not near a major media outlet.

However, as we all know, the size of a community or its media outlets should not dictate whether or not Federal relief is granted or how fast the assistance gets to those in need.

I believe the time has come for FEMA take a close look at its policies. In the meantime, I have asked GAO to examine FEMA's responsiveness to urban and rural disasters. I hope Congress will be able to maintain an oversight role. If there is an inconsistency we should not hesitate to consider legislation to ensure emergency assistance is provided consistently and judiciously.

In fact, I believe it would be appropriate for the conferees of this bill to include language in the accompanying report to direct FEMA to report to Congress on how it found that disaster assistance could be provided in response to the identified preexisting condition in Ventura County, but came to a different conclusion with the preexisting condition in Lead. I believe this instruction is an appropriate first step in what I hope will be a comprehensive review by FEMA of its current declaration policies and criteria.

Would the distinguished chairman of the committee agree that this review is necessary?

Mr. HATFIELD. I agree with the Senator from South Dakota that a review of the disaster declaration process may be appropriate. His concerns have merit. The people of Lead, SD, deserve to be assured that they are being treated fairly by the federal government. The Senator from South Dakota is to be commended for his diligent attention to the needs of his constituents. The Senator can be assured I will deliver this message to the conferees and will do my best to include a directive to FEMA regarding its declaration policies and criteria in the conference report to this bill.

Mr. PRESSLER. I thank my good friend the Senator from Oregon and thank him for his leadership. I yield the floor.

HEALTH CARE FINANCING RESEARCH AND DEMO PROJECTS

Mr. HARKIN. Mr. President, I would like to clarify the situation with respect to funding of research and demonstration projects by the Health Care Financing Administration. The Senate recommendation calls for a rescission of $11 million, which would reduce fiscal year appropriations to $45.1 million for research and demonstration projects. This is an increase of nearly $2 million over the amount needed to fund continuations of on-going activities, so that even if the entire Senate rescission is enacted into law, the Health Care Financing Administration should be able to fund about $2 million of new projects. I would ask Senator SPECTER, the chairman of the Labor, Health and Human Services, and Education Subcommittee, is that his understanding.

Mr. SPECTER. Yes, based on information supplied to me by the Department of Health and Human Services, there would still be about $2 million available for new research and demonstration projects by the Health Care Financing Administration, even after the Senate recommended rescission.

ESSENTIAL AIR SERVICE

Mr. PRESSLER. Mr. President, I am very concerned about a section in chapter IX of this legislation that in my view could have an adverse impact on the future of the Essential Air Service (EAS) Program. Specifically, I am very concerned about the language affecting ''Payments to Air Carriers,'' otherwise referred to as EAS subsidies.

I see the distinguished chairman of the Appropriations Committee on the floor. Would the chairman be willing to enter into a short colloquy on this issue and explain the intent of this section of the bill?

Mr. HATFIELD. Certainly. I understand the chairman of the Senate Committee on Commerce, Science, and Transportation has always supported EAS. Therefore, I would be pleased to explain the intent of these provisions and answer any questions posed by the Senator from South Dakota.

Mr. PRESSLER. I thank my friend from Oregon. First, I understand this legislation would rescind $5.3 million in ''Payments to Air Carriers.'' What is the impact of this rescission?

Mr. HATFIELD. This rescission should have no real impact on the program. The Appropriations Committee was informed sufficient funding would remain available to continue the EAS program through the end of this fiscal year. In other words, all communities currently provided air service with EAS assistance will continue to be served through this fiscal year.

Mr. PRESSLER. I understand about 79 cities rely on EAS to remain linked to the national air transportation system. I am pleased the chairman of the Appropriations Committee will continue to uphold our commitment to these small communities.

Now, as my friend from Oregon knows, there are EAS agreements in at least 13 States that will expire before September 30 of this year. The committee amendment to the bill before us includes a provision to prohibit the Secretary of the Department of Transportation [DOT] from entering into any new EAS agreements beyond September 30, 1995. I am concerned about the purpose of this restriction. In my view, it implies congressional support for EAS ends September 30, 1995—the end of the current fiscal year. My support for EAS will not end on that date. Would the chairman explain the purpose of this specific provision?

Mr. HATFIELD. Yes. First, let me assure the Senator from South Dakota this provision should not be read by any Member of Congress as an attempt to jeopardize future congressional support for EAS. This provision applies only to fiscal year 1995. Further, as the chairman of the Appropriations Subcommittee on Transportation, I intend to work with my friend from South Dakota on an appropriate level of EAS funding for Fiscal Year 1996.

Mr. PRESSLER. I am very pleased to know my friend from Oregon does not view the provision in question as a threat to the future of EAS. However, I still have strong concerns about the language in this bill. Specifically, I remain concerned the most economic continuation of EAS may be hindered by this provision. Permit me to explain.

As my friend from Oregon knows, when an EAS agreement is about to expire, current law requires the Department of Transportation to invite and consider competing proposals from any interested air carriers. The objective of that policy is to maximize the carriers' incentives to be efficient, to control costs effectively and to develop demand in the EAS market. This process yields two primary benefits: subsidy burdens are minimized and service to the community is often enhanced. That process has served the EAS program very well.

As I mentioned, EAS agreements will expire in 13 states before September 30th. Several already have expired. The practical reality of the proposed restriction to limit contract commitments would result in very short contracts at much higher costs in order to continue air service to those 13 states for the remainder of this fiscal year.

I am concerned efficiencies will be jeopardized if the DOT is prohibited from entering into any agreements beyond September 30th. I do not believe new carriers would seek to serve any of these 13 states for such a limited time period. In turn, those EAS carriers serving the 13 states will almost assuredly demand higher subsidies if they are held into those markets through the end of the fiscal year.

Further, DOT already issues notification to carriers that subsidy payments under EAS agreements are subject to the availability of funds in future fiscal years. Therefore, EAS carriers already know their subsidies are contingent on the annual approval of the Congress.

In my view, competition could be eliminated by this provision. In turn, subsidy rates will go up. What is the view of the Chairman?

Mr. HATFIELD. This language simply forces the EAS office to have EAS contracts conform to the federal fiscal

year. The office has had almost twenty years to make this adjustment. When the Appropriations Committee tries to get data from this office it often does not comport to the fiscal year basis that the Committee must consider in its deliberations.

Mr. PRESSLER. As the Chairman knows, I am prepared to offer an amendment to strike all the language after the rescission provision. I am willing to modify my amendment to further ensure the future of EAS is not jeopardized. Would the Manager of the bill be willing to accept my amendment?

Mr. HATFIELD. I would be happy to accept the Senator's amendment which would strike lines 1 through 3 on page 42. As he knows, the language which was provided by the Department had the effect of totally canceling the EAS program which was not the Committee's intent.

Mr. PRESSLER. I thank the Chairman. I very much appreciate his support for EAS and his leadership on this overall legislation. I also thank him for his support of my amendment and urge its adoption.

COLLOQUY ON SMITHSONIAN INSTITUTION FUNDING

Mr. HELMS. Mr. President, when debate began on the House rescissions bill I intended to offer an amendment prohibiting the Smithsonian Institution from using appropriated funds to develop, plan, or build any new museum before congressional authorization had been obtained.

After speaking with the distinguished chairman of the Interior Appropriations Subcommittee, Senator GORTON, I chose to forgo proposing the amendment. Senator GORTON assured me that the Smithsonian has no intention of beginning any new museum without first seeking the appropriate authorization from Congress.

Mr. President, as a member of the Senate Rules Committee, which is the authorizing committee with jurisdiction over the Smithsonian, I have seen the Smithsonian initiate a new project without congressional authorization and then come to Congress to authorize the project bemoaning the waste of funds already spent should the project not be authorized.

It is important to stress that any new project requesting taxpayer funds, should first go to the committee that has authorizing authority and then, if and only if, the project has been authorized should the request go to the Appropriations Committee for funding.

The Smithsonian must not ignore this process.

Mr. GORTON. Mr. President, will the Senator from North Carolina yield?

Mr. HELMS. I welcome comments from the able Senator from the State of Washington.

Mr. GORTON. Mr. President, I appreciate the decision of the Senator from North Carolina, Senator HELMS, not to offer his amendment so we can speed up debate on this important bill.

The issue that Senator HELMS has brought to our attention is a serious one that deserves emphasis. I am confident through my conversations with the current Secretary of the Smithsonian, Mr. Heyman, that the Smithsonian intends properly to fulfill its obligations as steward of this public trust. Secretary Heyman agrees that no Federal appropriation will be used for projects that have not yet been authorized by Congress.

Mr. HELMS. Will the Senator yield for a point of clarification?

Mr. GORTON. I yield.

Mr. HELMS. Senator GORTON, I am not sure that all of our colleagues realize that 72 percent of Smithsonian operating funds are public, taxpayer funds.

Mr. GORTON. Mr. President, Senator HELMS is correct.

Therefore, it is important for the Smithsonian, like all other entities that receive taxpayer dollars, to take note of the budgetary constraints under which we are working. It is a time for fiscal responsibility and the careful allocation of increasingly scarce resources.

I have been assured in all conversations I have had with Secretary Heyman that he is aware of his institution's role and its attendant responsibilities. The Secretary has underscored the importance of prioritizing projects during his tenure.

Mr. HELMS. Will the distinguished subcommittee chairman yield for a moment?

Mr. GORTON. Certainly. I yield the floor to the Senator from North Carolina.

Mr. HELMS. I sincerely appreciate the work the Senator from Washington has done in this area. The Senate Rules Committee has yet to meet with the current Secretary of the Smithsonian, Mr. Heyman, but I have been assured we will soon be given that opportunity. I will welcome that important hearing.

NATIONAL BIOLOGICAL SURVEY'S GREAT LAKES SCIENCE CENTER IN ANN ARBOR, MI

Mr. LEVIN. Mr. President, I would like to engage the distinguished chairman of the Senate Appropriations Subcommittee on Interior and Related Agencies in a brief discussion regarding the impact of S. 617 on the National Biological Survey's Great Lakes Science Center in Ann Arbor, MI. The committee's report accompanying S. 617 recommends rescinding $4.136 million less than was included in the House-passed recission bill, H.R. 1158. That is almost exactly the amount appropriated in fiscal year 1995 to maintain operations at the Great Lakes Science Center. If the Senate approves the committee's recommended recissions from funds already appropriated for NBS research, will this center remain in business in fiscal year 1995?

Mr. GORTON. Yes. While there is not a correlation between the funding levels rescinded by the House and by the Senate and the fiscal year 1995 appropriations level necessary for keeping the Great Lakes Center open, it is the committee's intent to provide sufficient funds for NBS research so that the Great Lakes Center and other NBS centers can continue to operate in fiscal year 1995.

Mr. ABRAHAM. Mr. President, if the subcommittee chairman would answer an additional question, I would like to know whether he will continue to support funding to keep the Great Lakes Center open in fiscal year 1995, during the conference on S. 617 and H.R. 1158?

Mr. GORTON. I am aware that both of my colleagues from Michigan and from elsewhere in the Great Lakes region strongly support the work being done by the NBS Great Lakes Science Center. Hopefully, in conference, we can arrive at a compromise which will prevent cuts in the NBS research budget that would close or hamper operations at NBS centers and cooperative units.

Mr. ABRAHAM. I thank the Senator from Washington for his responsiveness to our concerns. As he may know, the Great Lakes Center conducts fishery stock assessments that are relied upon by States, tribes, and Canada. And effective management of fish stocks in the Great Lakes is important to the $4 billion fishing industry in the region.

Mr. LEVIN. I would also like to thank my colleague from Washington for his assistance in this matter. As my colleague from Michigan has indicated, the Great Lakes Center has important duties. Besides the fishery stock management element of its activities, the center conducts invaluable scientific research on preventing, controlling and mitigating the impacts on nonindigenous species, such as the zebra mussel. And, the center is conducting essential studies on the sources and health effects of toxics in the Great Lakes ecosystem.

WIC

Mr. LEAHY. I am very worried that the House Republican welfare reform bill ultimately could throw millions of pregnant women, infants and children off the WIC program [the Supplemental Nutrition Program for Women, Infants and Children].

That part of the Contract with America guts strong competitive bidding requirements which have put millions of pregnant women, infants and children on the WIC program at no cost to taxpayers in recent years.

These are provisions which I and my Senate colleagues from both sides of the aisle included in child nutrition legislation in 1987 and in 1989 and which the Senate Appropriations Committee mandated in 1988 with strong bipartisan support.

I am concerned that this victory is eliminated by the House bill.

These efforts on the House side raise serious concerns about why House members want to provide millions of dollars to the four huge corporations that manufacture infant formula.

The details of this tragedy are set forth in articles in the Wall Street

Journal ''Four Drug Firms Could Gain $1 Billion Under GOP Nutrition-Program Revision,'' Hilary Stout, February 28, 1995; the New York Times ''Formula for Tragedy,'' Bob Herbert Op Ed, March 25, 1995; and the Washington Post ''Food Program Defender Becomes a Dismantler,'' David Maraniss and Michael Weisskopf, April 4, 1995.

WIC serves children at some of the most critical times of their lives. It feeds mothers when they are pregnant or breastfeeding. And it feeds children during their important, early development years.

WIC is a proven success story. A 1991 USDA study showed that for every WIC dollar spent on a pregnant woman, between $2.98 and $4.75 was saved in Medicaid costs for the newborn during the first 60 days after birth.

Thus competitive bidding saves taxpayers doubly—first, it puts 1.5 million more eligible women, infants and children on the program at no costs to taxpayers, and it saves millions in Medicaid and other Federal costs, in addition to saving millions of dollars in family, local and State medical costs.

The details of this system are easy to explain. At retail stores, WIC participants exchange special vouchers for infant formula. The recipients pay nothing; the State reimburses the store for the full retail cost of the formula. The infant formula manufacturers then rebate a portion of the retail price to the State. The States are required to use the rebates to serve more persons who are eligible for WIC.

Under current law States are required to use competitive bidding, with certain exceptions, to buy infant formula for the WIC program. USDA has calculated that this provision now saves $1.1 billion a year and thus puts 1.5 million more women, infants and children on WIC at no extra cost to taxpayers.

That provision is eliminated by the Contract with America. That Contract should be renamed the ''Contract to Increase Profits of Drug Companies.''

That part of the Contract is a sham. It contains an extremely weak cost containment provision which will allow infant formula manufacturers to make a killing off the WIC program while allowing them to pretend to help WIC.

It will let drug giants donate small amounts of formula to State WIC programs, in front of their cameras, while making hundreds of millions of dollars in increased profits.

How have they been able to get this done in this Republican Congress? The Washington Post article that I referred to earlier, ''Food Program Defender Becomes a Dismantler,'' explains the influence of large corporations on the House. A short history lesson is in order.

Some years ago these drug giants hired the former Republican Ranking Member of the House Agriculture Committee and a former Republican Assistant Secretary of USDA who was in charge of WIC to fight competitive bidding at the State level.

Unfortunately, actions of the infant formula and infant cereals manufacturers have made such mandatory competitive bidding language necessary and demonstrate why the House bill will be an invitation to drug companies and cereal companies to siphon millions out of WIC.

As reported in Senate Hearing 101–979 (''Competitive Issues in Infant Formula Pricing,'' May 29, 1990) efforts were made by two major manufacturers Ross Laboratories—a division of Abbott Laboratories—and Mead-Johnson—a division of Bristol-Myers Squibb—to prevent individual States from using competitive bidding procedures. In 1985 three States—Tennessee, Oregon and South Carolina—announced plans to institute a competitive bidding system for the purchase of infant formula for WIC.

A group called the Infant Formula Council, an association of formula manufacturers, immediately opposed these cost containment ideas. The IFC sent letters to USDA and State officials opposing the plans and testified against this approach.

The Council retained a Washington law firm to raise legal concerns with such attempts by States to buy formula more cheaply. The IFC argued that State efforts to buy formula through competitive bidding would disrupt commercial channels of distribution of infant formula.

Tennessee went ahead anyway and set a deadline for bids from the companies to supply formula to WIC participants. However, not a single company submitted a bid.

That is why I, and many of my Senate colleagues, are very worried. Under the House Republican bill any State could fall prey to these same practices today as already discussed in the April 4, 1995, Washington Post article.

The former ranking Republican member of the House Agriculture Committee, Congressman Wampler, was hired to oppose these State voluntary efforts to use competitive bidding. Congressman Wampler was one of several well connected lobbyists hired by Mead Johnson and Ross Laboratories to persuade USDA either directly, or indirectly through Congressional intervention, to prevent States from moving ahead with plans to institute competitive bidding. Senate Hearing 101–979.

Mead-Johnson also hired the former Republican Assistant Secretary, Mary Jarrett, to help make sure that States did not use competitive bidding.

The new plan of attack by the companies was to only offer paltry cost containment deals to States. This would include giving States some free formula, or modest cash rebates, or free coupons instead of participating in competitive bidding.

I am very worried that smaller States such as my home State of Vermont could be easily victimized by the drug companies under the House bill.

The lawyers hired by the formula manufacturers then raised legal objections at the State and Federal level to competitive bidding. They also tried to convince States not to use competitive bidding but to instead offer States formula at discounted prices under a system then called open bidding which is fully described in that report.

A full description of the efforts of Republican lobbyists and the drug companies to promote cost containment instead of competitive bidding is detailed in Joint Hearing Report 102–135—Pricing and Promotion of Infant Formula, March 14, 1991.

Also, on Mach 6, 1990, Mead-Johnson sent letters to the other formula manufacturers advising them that Mead would only provide a 75 cent rebate for each can of formula purchased through WIC. Ross Laboratories and Wyeth-Ayerst Laboratories—a division of American Home Products Corporation—followed suit and put in much lower rebate bids at or around 75 cents.

During the next 8 months, Mead submitted 75 cent rebate bids to 12 different States. In several States, Ross and Wyeth followed Mead's lead. Ross bid 75 cents 9 times, and 75.7 cents once.

When one company bids a rebate of $0.75 and soon after another bids $0.757, as Mead and Ross did in Wisconsin and Montana in early 1990, it does not take a genius to see how this could frustrate competitive bidding.

A very unusual development also took place which tipped off Federal investigators with the Federal Trade Commission. The same companies offered a better bid under what was called an open market system—whereby all companies matching a discounted price could sell formula to WIC in that State.

This higher rebate bid of $1.00 made no economic sense since the companies would have made more money off the exclusive competitive bid of 75 cents rather than the open market bid. This apparently was done to discourage states from using competitive bidding since it signalled states that the companies would bid $1.00 in an open market setting but only around 75 cents for a competitive bidding system. The chronology of infant formula rebate bids for 1990 shows this point.

I asked the FTC to investigate allegations of price fixing and bid rigging in the WIC program and the efforts to discourage states from using the best system for purchasing infant formula. The Federal Trade Commission found merit to the charges and filed actions against the three companies. Also, several States filed actions against formula companies for anti-trade activities which have been well detailed in the press.

In June, 1992, the Federal Trade Commission found that three pharmaceutical companies tried to fix prices of infant formula they supply to the WIC program.

The FTC also concluded that competition was reduced because Mead Johnson announced in advance the amounts to be submitted in sealed bids to provide formula to the WIC program. Also, it was alleged by the FTC that Mead Johnson sought to limit advertising to the public and provided information to competitors signalling bidding preferences.

Two of the drug companies consented to having a Federal court issue relief against them. The companies—Mead Johnson and American Home Products—were ordered to provide formula to the WIC program free of charge as partial restitution.

The Center for Budget and Policy Priorities analyzed the harm to States from the advance price signaling in 1990. It concluded that after the Mead-Johnson letter announcing what it would bid in the future that States were harmed by over $14 million by increases in annual infant formula costs including the following: Indiana, $3.7 million cost increase; Minnesota, $1,811,000 increase; Mississippi, $1.7 million increase; Oklahoma, $1.4 million increase; Kentucky, $868,000 increase; Oregon, $867,000 increase; Colorado, $820,000 increase; West Virginia, $650,000 increase; Iowa, $539,000 increase; and Montana, with a $324,000 cost increase.

I am very worried, as are many of my Senate colleagues, that allowing these companies the opportunity to take more than one million participants off the program so the drug companies can make more profits is outrageous. The fact that the House cut $25 million out of the WIC budget for fiscal year 1995 also raises some concern. We will work to see that no one is taken off the WIC rolls in fiscal year 1995 because of funding limitations.

Senator BUMPERS also took the lead in supporting and defending these competitive bidding requirements. What are the views of the Senator from Arkansas on this matter?

Mr. BUMPERS. I am also worried and concerned about the provisions in the House bill that eliminate the current WIC competitive bidding requirements. I have supported these efforts right from the beginning and will strongly oppose efforts to eliminate competitive bidding.

I share Senator LEAHY's concern that the new plan of attack by the companies will be to only offer paltry cost containment deals to States. This would include giving States some free formula, or modest cash rebates, or free coupons instead of participating in competitive bidding. This could mean that millions of infants, women and children would be forced off WIC.

Senator PRYOR has been a leader regarding child nutrition programs and I would like his views on this issue.

Mr. PRYOR. As I said at an Agriculture Committee hearing, I am also very troubled by the House efforts to cut child nutrition programs. The worst aspect of their bill relates to efforts to give these drug companies the opportunity to increase their profits at a high cost to poor pregnant women and children.

The Senate reports show the efforts drug companies have exerted over the years to sell formula at a high cost to WIC. Since WIC is 100 percent federally funded, the Federal Government should insist that it get the best return on each dollar spent.

Competitive bidding, which is used by the Federal Government for much of its procurement, should be required as under current law. Clever efforts to hide profiteering under the cloak of weakened, so-called cost-containment measures, will hurt the WIC program in my State, and throughout the Nation. I know the drug companies may already be celebrating, but the Senate took the lead in the past in standing up to these corporate interests. I believe that despite all the money spent by the drug companies to influence opinion, the Senate will do the right thing.

Mr. DASCHLE. I fully agree with the views expressed by my fellow Democratic colleagues. We cannot give the WIC program to the drug companies and allow them to turn WIC into a formula for profit.

WIC is one of America's most effective child nutrition programs and I intend to fight any efforts of the House to repeal the WIC program. Senator HARKIN led the fight against the practices of one infant formula company that sold powdered formula to third-world countries. Low-income families would mix the formula with contaminated water and the formula would do more harm than good. I ask Senator HARKIN what are his views on competitive bidding?

Mr. HARKIN. I was very proud of my role in leading the fight against companies that tried to push formula in the third-world. While I am a very strong supporter of breastfeeding I recognize the formula does play an important role in the WIC program.

I agree fully with the remarks that Senator LEAHY has made about the importance of competitive bidding for WIC infant formula, and the comments of my colleagues on the subject, and I commend Senator LEAHY for his work on this issue as Chairman of the Committee on Agriculture, Nutrition, and Forestry and now as ranking member.

To get the best deal for taxpayers I believe it is essential that we require that competitive bidding be used for WIC infant formula so that we can ensure that the States are not subjected to the kinds of pressure tactics to eliminate competitive bidding that have been so thoroughly documented. We owe it to taxpayers and to over a million and a half additional people who are served each month with the savings from competitive bidding. I do not want this provision watered down so that companies can increase their profit margins at the expense of WIC participants and taxpayers.

I have had a long involvement in the efforts to implement competitive bidding for WIC infant formula. As Chairman of the Subcommittee on Nutrition and Investigations, I worked to include the provision in the 1987 Commodity Distribution Reform Act that allowed States to keep a portion of savings they achieved through competitive bidding in order to cover the increased administrative expenses of bringing additional participants into WIC.

Without that provision, the States could not have used the savings from WIC cost containment to serve more people in the WIC program. Unbelievably, the Republican Deputy Secretary of Agriculture wrote a letter to Chairman LEAHY officially opposing that provision in the bill.

I also requested the study by the General Accounting Office that was issued in October of 1987 demonstrating the savings that could be achieved through competitive bidding for infant formula.

And in 1989, as Chairman of the Nutrition and Investigations Subcommittee, I introduced the Child Nutrition and WIC Reauthorization Act of 1989, which included the provision requiring the use of competitive bidding or equally effective cost containment measures for WIC infant formula. Again, it was my privilege to work with Senator LEAHY, as Chairman of the Agriculture Committee, in getting this provision enacted into law.

The benefits of competitive bidding are simply too large to give up. The national benefits have already been described. In Iowa, as of late last year our State was gaining approximately $630,000 a month for its WIC program through infant formula rebates, which allows approximately 12,000 additional Iowa women, infants and children to be served each month without increasing spending.

WIC is one of our Nation's most successful and cost-effective efforts. Competitive bidding makes WIC remarkably more cost-effective. We hear a lot about the importance of letting States have more freedom in administering programs. WIC already involves a partnership between the Federal Government and the States—it is already administered by the States, but it is funded entirely with Federal money. This proposal to do away with the competitive bidding requirement stands the idea of State flexibility on its head. It basically says that if the States want to squander federal taxpayer dollars by lining the pockets of the infant formula companies, that is just fine, have at it.

All I can say is that we have made too much progress and there is far too much at stake for this Senator to stand by and watch a proven and practical tool like competitive bidding be thrown out the window for the sake of some half-baked, radical theory. Not without a fight, not without a huge fight.

Finally, I am also concerned, as are my colleagues, about the ramifications of the $35 million cut in WIC in this rescissions bill. The Congress should be fully funding WIC as per the President's proposals and should be very cautious about cutting the funding available for carrying out WIC efforts in the States. I too will work to see that no one is taken off the WIC rolls in fiscal year 1995 because of funding limitations.

I understand Senator BOXER also has concerns about the WIC program.

Mrs. BOXER. I also am very concerned about the Contract With America and how it will seriously hurt the WIC program. I am very proud to support the WIC program, and it is important to ensure that the competitive bidding process stays in place so that the largest number of women and children possible can be effectively served by this enormously successful program.

STUDENT AID

Mr. LEAHY. Mr. President, students on college campuses throughout Vermont have mobilized against cuts in student aid. The strong opposition around the country to these cuts has prevented most student aid programs from being included in the rescission bill we are debating today. The next step will be to make sure that students do not get short-changed in next year's budget.

On Monday, I had the pleasure of meeting with 19 exceptional college students in my office in Burlington, Vermont. These students: John Boyle of Landmark College; Stephen O'Keefe and Sean Brown of Southern Vermont College; Terri Taylor of Lyndon State College; Eric Sorenberger and Marlene Rye of Sterling College; Cecily Muller of Woodbury College; Beth McDermott of the University of Vermont; Alison Maling of Trinity College; Courtney Ryan of St. Michael's College; Kevin Canney of Burlington College; Sue Jean Murray of Champlain College; Theresa Morris of Vermont Technical College; John Wyrocki and Laura Whitney of Green Mountain College; Jeff Albertson of Middlebury College; and Darryl Danaher, Ryan Carter and Matthew Thornton of Norwich University shared with me how cuts in student aid would affect them and other Vermont students.

One student is the youngest of nine children and is holding two work study jobs. Another is a mother of two and on welfare. Her daughter also is in college. Another is the third child in her family to go to school. Her mother went back to school to get a better job to help pay her children's student loans. Another is the mother of four who had to leave an abusive marriage. She relies on work study to help her stay in school. She also will have loans to pay for her daughter's education. Another is returning to school after having to change her occupation due to major back surgery.

I could go on and on about what these students are going through to earn their college degree.

These students are working hard to learn. Now, some Members of Congress would like to pull the rug out from under them by cutting student aid.

Earlier this week, the House Economic and Educational Opportunities Chairman confirmed that Republicans are considering eliminating the in-school interest subsidy on Stafford college loans.

If House Republicans are successful, 20,000 Vermont students will be paying more for college. Individual student debt will increase by 15 to 50 percent, depending on the length of time spent in school. An undergraduate student who borrows the maximum amount for a four year college could owe an additional $3,407 in interest. This is an increase of about 20 percent, on top of debt that already is tough to manage.

There also has been talk about eliminating campus-based aid including Supplemental Educational Opportunity Grants, Perkins loans, and the work-study programs. Eliminating these need-based programs would cause hardship for students at 2-year and 4-year colleges throughout the country. A student who receives an aid package that includes average awards from all three programs would stand to lose $3,152.

Increasing the financial burden to students and their families will discourage many students from attending college or enrolling in vocational or graduate programs.

As we encourage people, both young and old, to pursue higher education, we need to help them achieve this by providing realistic funding options.

These students are our future. All of us know just how difficult it is to pay for a college education these days. It is important that these students and their families do not see the dream of higher education slip beyond their grasp.

Decisions to cut student aid programs are based solely on short-sighted politics.

I am concerned that the debate over next year's budget is going to occur over the summer when many students are not on campus. I hope they will continue to work together to speak out against cuts in student aid.

RESTORATION OF DEFENSE CLEANUP FUNDS

Mr. PRYOR. Mr. President, I rise today in support of restoring $104.2 million to the Department of Defense accounts that are used to fund the cleanup and redevelop of closing military bases. These funds were authorized and appropriated by Congress last year and they now are subject to a possible rescission.

Mr. President, less than a month ago the Secretary of Defense announced the 1995 hit list of military base closings. This list recommended closing 25 major bases. Communities with bases on this list are currently working to convince the independent Base Closure Commission to remove their hometown bases from the list and to spare them the economic trauma of a base closing.

Unfortunately, many of these communities will be unsuccessful in their efforts to save the base. In the first three base closure rounds, in 1988, 1991, and 1993, the Commission approved the closing of approximately 85 percent of the recommended bases.

These first three base closure rounds produced the closing of 75 major military installations and over 200 smaller installations nationwide. Each of these communities are now focusing on beating swords into plowshares. And to its credit, the U.S. military is trying to do its part to quickly cleanup these bases and prepare them for civilian use.

Mr. President, many have argued in the past that the federal government should not help beat swords into plowshares—that we do not have a responsibility to help the workers and communities that proudly supported our bases for decades. However, we can not and must not turn a cold shoulder to those who helped us win the cold war.

To be certain, base closings hurt. Communities that lose a base lose much more than just the daily sights and sounds of the military's presence. They lose the heart and soul of their local economy. In many cases, the military is the largest employer in the region. As my colleagues know, closing military bases causes an immediate economic trauma in these communities.

But some good news is beginning to arise in a few of the towns that lost bases in the early rounds. Lost military jobs are slowly being replaced by civilian employment. The private sector is moving in and jobs are being created at many old bases.

The local communities that are experiencing an economic revival have told us that their successful efforts to beat swords to plowshares were made possible only because the federal government, specifically the U.S. military, decided to become a partner in this worthy effort.

In helping communities rebound, the military services are focused on quickly cleaning up contaminated portions of the closing bases so private sector businesses can move in and begin creating jobs.

In order to quickly prepare closing bases for redevelopment, the DOD's base closure accounts, or BRAC accounts, must be fully funded.

It would be shortsighted to rescind funds for closing bases, especially given that the Base Closure Commission is currently preparing to add more bases to the closure list.

Cutting funds from the DOD base closure account will slow down the process of returning these bases back to the communities. By doing so, we would substantially damage the economic development efforts of base closure communities nationwide.

I urge my colleagues in the Senate, especially those on the Senate Appropriations Committee, to restore $104.2 million to the DOD BRAC accounts.

AMENDMENT NO. 577

Mr. HATFIELD. Mr. President, if there had been a rollcall vote on the Dole-Daschle amendment, I would have voted ''no.'' As my colleagues know, I support many, if not all, of the programs that would benefit from the funding restorations of the amendment. They are worthwhile, meritorious programs that address important national needs.

But as I said at the outset of this debate, Mr. President, many of the Appropriations Committee's recommended rescissions were reductions in the rate of funding increases, not reductions in actual funding below the previous year's level. I see no reason to add more money now to simply increase the increase. The Appropriations Committee made a considered judgment on these matters, and we found our recommended rescissions to be reasonable. Further, we found them to be urgently needed for the task of deficit reduction.

On that point, Mr. President, I believe this amendment is a serious mistake. We do not have CBO scoring of this amendment as yet, but it would appear to me that the recommended ''offsets'' of this amendment reduce significant amounts of budget authority but very little in outlays. The reductions are primarily drawn from accounts with annual outlay rates as low as 1 percent, while the funding restorations occur in accounts with outlay rates as high as 80 percent. In short, Mr. President, it appears to me that this amendment may actually increase the deficit. The bill that I brought to the floor on behalf of the Appropriations Committee was a first step in the long march toward a balanced budget. This amendment is a step backward.

FUNDING FOR ACIR'S MANDATES STUDIES

Mr. DORGAN. Mr. President, I rise to take note of an aspect of the managers' amendment to H.R. 1158, the supplemental appropriations and rescissions bill.

As my colleagues know, I helped write the Unfunded Mandates Reform Act of 1995, which just became law. This law passed the Senate on January 27 by an 86–10 vote. Part of this law requires the Advisory Commission on Intergovernmental Relations to conduct studies on unfunded mandates issues. The Senate passed my amendment giving these studies to ACIR by a vote of 88–0.

The law requires ACIR to make recommendations to the President and Congress about simplifying, consolidating, suspending or terminating federal mandates. It also requires ACIR to examine the measurement and definition issues involved in calculating the costs and benefits of unfunded federal mandates.

The law requires ACIR to do these studies very quickly. It must issue proposed and final criteria for its studies, hold hearings, and publish a preliminary and a final report, all by March 22, 1995. The conferees on the mandates bill recognized that ACIR needed further funding in this fiscal year in order to do the studies. The conferees therefore authorized an appropriation of $500,000 for fiscal year 1995.

The managers' amendment contains a provision that would appropriate this money. I am glad that the senior Senators from Oregon and West Virginia, Senators HATFIELD and BYRD, have funded the mandate on ACIR.

I would like to thank them for accommodating the Senator from Idaho, Senator KEMPTHORNE, and the Senator from Florida, Senator GRAHAM, and myself on this issue. And I look forward to helping ACIR carry out this mission.

Mr. PELL. Mr. President, I am supporting the Dole-Daschle compromise and the final passage of the supplemental appropriations and rescissions bill because I believe, on balance, the bill does take a significant step towards fiscal control and economy in government.

I am particularly pleased that the compromise restores nearly a billion dollars in House rescissions that would have jeopardized programs that benefit children and education.

Head Start, Title I Education, impact aid, WIC, Goals 2000, School to Work and Drug Free Schools are all programs that constitute investments in our national future, and restoration of funding for them lends balance and merit to the bill.

I am very pleased that the Senate bill restores funding for the LIHEAP program and housing modernization, two programs that are important to my State.

And finally I would note that the Senate bill would restore more than half of what the House bill would cut from our foreign aid programs—not a perfect outcome, but certainly far preferable to the House version.

Mr. President, none of us are going to be completely satisfied with the painful compromises that must be made in the current season of downsizing of government. But this bill does what had to be done with less pain than might otherwise have been inflicted. I commend the managers and give the bill my support.

Mr. WARNER. Mr. President, I am pleased to commend the majority leader, Senator DOLE, and the Democratic leader, Senator DASCHLE, for the successful completion of the managers rescission amendment package to H.R. 1158, the fiscal year 1995 supplemental appropriations bill for disaster assistance and rescissions. I am particularly gratified that the leadership has steadfastly retained, through a myriad of negotiations, the restoration of section 8002 of the Federal Impact Aid Program.

With funding of only $16.29 million, nearly 200 school districts directly benefit from section 8002 payments in lieu of taxes for Federal properties. As federally owned lands, these properties are tax-exempt and contribute nothing to local tax revenues. These monies are made available under strict criteria to help compensate local school districts for revenues they might otherwise be receiving.

The impact aid section 8002 program has been authorized since the inception of impact aid in 1950. For 45 years, the Congress has recognized its responsibilities to compensate local schools for tax-exempt Federal personnel and properties.

Furthermore, the entire impact aid program was just reauthorized last year as a part of the Elementary and Secondary Education Act. This is no time to retreat from our longstanding commitment which is so vital to federally impacted school districts.

I am supporting that impact aid restoration because the York County School Division in the historic Hampton Roads region of Virginia is the largest recipient of section 8002 funding in the Nation. I commend the York County School Division finance director, Mr. Dennis Jarrett, as well as superintendent Steven Staples for their careful work in bringing this urgent matter to my attention.

This year alone, more than $1 million of the York County School District budget is at risk because of the proposed rescission. I am confident that my colleagues on the Appropriations Committee had no intention for the budget cutting axe to fall so heavily on only one of some 200 school districts.

The restoration of the $16.29 million for impact aid will symbolize our support of the communities across the Nation which house and serve the U.S. Armed Services and their families.

Mr. President, I thank the Chair and commend this small measure to the support of my colleagues.

Mr. PRESSLER. Mr. President, I am pleased to rise today in support of the agreement offered today on H.R. 1158, the rescissions bill. The leadership can be commended for their hard work on this compromise. This rescissions bill has been a drawn-out and difficult process. But this hard-fought agreement represents good news for many South Dakotans: it contains my amendment that would restore funds for Section 8002 of the Impact Aid Program, otherwise known as Section 2. The inclusion of my amendment to save this important program is a significant reason why I offer my wholehearted support for this agreement.

The impact aid program is not aid in the traditional sense. It is called Impact Aid because the presence of the Federal Government is having an adverse impact on nearby school districts. The adverse impact is the loss of tax revenue to the schools, and the Impact Aid Program is designed to compensate schools for that lost tax base.

In short, impact aid is an ongoing Federal responsibility. Impact aid does

not represent extra dollars for special programs. Impact aid provides support payments for basic day-to-day operations. It is neither a wasteful nor ideologically driven program—these funds go directly to a school district's operating budget. Impact aid represents fairness—to the schools and the parents and children they serve.

Section 2 of the Impact Aid Program is the lifeblood of many schools across the Nation. This program provides support payments to school districts for Federal land. Across the country, schools in 27 States rely on Section 2 payments. It would be most unfair to federally impacted districts and the children they serve if the Federal Government opts to deny them both a tax base and Federal support.

If Section 2 payments had been terminated, the Pollock School district in northern South Dakota would have closed, forcing potentially displaced students to travel up to 50 miles in order to receive an education. Pollock and similarly situated school districts would have been forced into this drastic course of action because no other revenue options are available.

Mr. President, federally impacted schools already have taken their share of cuts. The Impact Aid Program suffered a $70 million cut last year. If we were to add to this cut the elimination of Section 2 payments, federally impacted schools would be left without the assistance they had planned on to pay teachers, buy textbooks, or as in the case of Pollock, to even function.

Like my colleagues, I am committed to reducing wasteful government spending. My voting record consistently has been in favor of a balanced budget. I also appreciate fully the difficult nature of the Appropriations Committee's job this year. We are all in the difficult position of needing to cut bureaucracy and federal spending. However, our leadership can be commended for realizing where our priorities must lie.

Impact aid is a program that enjoys support on both sides of the aisle. However, I especially would like to thank my distinguished friends from New York and Virginia, Senators D'AMATO and WARNER, for their leadership on this issue. These Senators and others on both sides of the aisle were prepared to support my amendment to restore the Section 2 payments. It is because of this bipartisan commitment to education that the leadership has restored this important program. I appreciate their help and support.

I hope this bipartisan support for impact aid will send a clear signal to our colleagues and especially to the administration. Impact aid is vital to our schools and it should continue to be fully funded. It is my hope that we will not have to fight this battle again during the budget negotiations for fiscal year 1996. President Clinton has requested a $109 million cut in the Impact Aid Program for next fiscal year. I hope it has been made clear that such a cut would be unacceptable.

I would be happy to work with my colleagues to demonstrate why impact aid is critical to so many school children. I also look forward to working with my colleagues on the budget and appropriations committees to maintain the vitality of the Impact Aid Program for many years to come.

RESTORE FUNDING FOR THE CDFI FUND

Ms. MOSELEY-BRAUN. Mr. President, one of the provisions in the amendment the distinguished majority and minority leaders have offered, would partially restore funding for the Community Development Financial Institutions [CDFI] Fund. The full House and Senate Appropriations Committee have both rescinded $124 million of the $125 million appropriated for this bill in fiscal year 1995.

Although it is not clear when the Senate will have the opportunity to vote on this amendment. I want to take a few moments to discuss why the funding for the CDFI Fund is needed.

Clearly, the $36 million included in the Daschle amendment is an insufficient amount compared to the $125 million appropriated last year—but, this start up money will help the CDFI Fund get off the ground. The importance of this Fund is its profound affect on the lives of people who want to make their lives better and improve their neighborhoods.

The CDFI Fund is bipartisan initiative passed in the Riegle Community Development and Regulatory Improvement Act of 1994. I was proud to be a cosponsor, along with many of my colleagues, of this legislation.

The Fund will support and expand existing Community Development Banks and Financial Institutions [CDBFI] across the country. The CDFI Fund is based on the simple proposition—helping the private sector to help communities grow from the bottom up.

Over the last two decades, a diverse range of community development financial institutions have emerged to provide new opportunities for neglected communities. In urban, reservation-based and rural settings, more than 300 CDFIs are providing credit, investments and comprehensive development services. These institutions—working in 45 States—manage more than $1 billion in primarily private sector capital. These institutions have loaned more than $3 billion with a loan loss rates comparable to some of the best banks in this country.

Mr. President, across the country, many rural and urban communities are starved for affordable credit, capital and basic banking services. The lack of jobs is a critical issue for any community. The lack of jobs is also the crux of an important issue for the welfare reform debate that the Senate will soon be considering.

What the Fund is all about is creating jobs in communities that desperately needs jobs. What this amendment is all about is providing a very, very modest amount of Federal money to spur entrepreneurship, and assist small and microbusinesses in low-income communities to help create those jobs.

Job creation is so important to the many critical issues that come before Congress. It is also the crux of the welfare reform debate now before Congress.

Almost everyone agrees that our welfare system needs major reform, and almost everyone agrees that welfare recipients who can work ought to be required to work. The question that remains is simple—where are those jobs supposed to come from?

The basic truth that must be faced is that there simply aren't enough jobs now in many communities where the poor are concentrated, are dropping. My own home town of Chicago illustrates the problem.

Between 1972 and 1990, the City of Chicago lost over 146,000 jobs. Between 1979 and 1990, the city lost over one-third of its manufacturing jobs. Over the same period, the central business district actually gained jobs over that period, which means that the impact of the declining job base fell most heavily on Chicago's neighborhoods, and particularly its poorest neighborhoods. In the decade of 1980's alone, the south and west side Chicago neighborhoods—where many of the City's low-income residents reside—lost over 82,000 jobs.

This results in a declining population in the city, and high unemployment rates for those who want to stay, or who can't leave. For residents in public housing in the inner cities, jobs are almost non-existent. Of the households in the Robert Taylor Homes—the country's largest public housing complex located on Chicago's southside—an approximate 4 percent report any wage income at all.

The fact of the matter is—there is not enough economic opportunity in poor communities. It's no secret that what is needed to create jobs in any community is capital. However, poor communities, simply do not have the access they need to our capital market. What this means is that prospective homebuyers, oftentimes have difficulty getting mortgage money. What it also means is that people who want to start businesses—or expand businesses—in poor communities where all too often cannot get access to the money they need. The creation of the CDFI FUND is a crucial first step in helping low-income communities help themselves.

The CDFI Fund will invest in community development banks and other community development financial institutions which have a primary mission of community development, lending and equity investment and loan counseling services in distressed, underserved communities.

This capital assistance will serve only as seed capital that must be matched by private funds. All types of new and existing CDFIs will be eligible for assistance, including community

development banks, credit unions, micro-enterprise and revolving loan funds, minority-owned banks and community development corporations.

One of the exciting aspects of the Fund is the Bank Enterprise program will catalyze new community lending and investment activities by conventional financial institutions—complementing community reinvestment efforts by lenders.

Mr. President, the Fund will have an extraordinary impact on many of this country's low-income neighborhoods. It will support financial and technical support for new community development banks—which will support thousands of new loans—which, in turn, can result in thousands of new full-time jobs in low-income communities.

I have seen first hand what an important role community development financial institutions can play in the economic development of distressed communities and provide jobs to those who have relied on public assistance.

South Shore Bank—the country's first community development bank in my home town of Chicago—has had a tremendous impact in the South Shore neighborhood of Chicago. Since 1973, the bank and its affiliated community development activities have invested $450 million in its target communities, financing the rehabilitation of 15,000 housing units and hundreds of businesses. South Shore was once a rapidly-deteriorating, inner city community abandoned by conventional lenders. Today it is a stable community with access to a range of sources of conventional credit.

Another example is the Women's Self Employment Project in Chicago which has lent more than $800,000 to low income women—many of whom relied on public assistance—to start and grow microenterprises. This successful program has a repayment rate of over 94 percent.

Mr. President, these are just two examples of how community development works. The list of success stories in community lending goes on and on: the Self-Help Credit Union in North Carolina; the Federation of Appalachian Housing Enterprises in North Carolina; The Coalition for Women's Economic Development in South Central Los Angeles.

Mr. President, as I said in my opening remarks, the $36 million included in this amendment is clearly not enough for the investment that is needed in low-income communities now. But it is a start to help the institutions I referred to, any many others throughout the country. They will be able to expand their capacity through modest federal investments provided by the CDFI Fund.

It is important to point out that the Fund does have an experienced and knowledgeable transition team to begin setting up operations and programs. While the Fund cannot issue regulations or take applicants until the administrator is confirmed, this team is making significant progress to ensure that the programs are up and running.

By using very little Federal money to leverage significant private dollars, the Fund's investments will build partnerships between banks, thrifts, credit unions, and CDFIs.

The results in every equity dollar invested in a community development bank or loan fund can leverage at least $10 in new private capital for development lending.

Community Development Banks and Financial Institutions provide capital where it is critically needed—and jump start a local economy. The CDFI Fund will support these institutions and represents an essential part of what's needed to build and strengthen the economies in many urban, reservation-based and rural communities.

In closing, let me add that the CDFI Fund, is a very good step in the right direction in creating jobs. If the federal government is going to succeed in reforming welfare, we must start by creating jobs and economic growth in impoverished communities where they are needed most.

Mr. President, I ask unanimous consent that the list of success stories be printed in the RECORD.

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

In North Carolina, the Self-Credit Union and its affiliated Self-Help Ventures Fund made a $50,000 loan in 1985 to a small, rural worker-owned sewing company threatened with closing because it could not obtain credit from its local banks. With Self-Help's technical assistance and a series of working capital loans, the business now employs 80 people, making it the second largest private employer in its county. By 1992, the company had almost tripled its sales, to $1.8 million.

In Chicago, the Women's Self Employment Project set up an entrepreneurial training and lending program to enable women receiving public assistance and with little or no asset to start their own income-producing enterprises. Seventy percent of the 20 women participating in the pilot program in 1987 were able to move off public assistance permanently as a result of their business activities. An expanded program now includes 150 women. WSEP's three lending programs have lent more than $500,000 to 350 low- and moderate-income women for micro business ventures.

In Central Appalachia, the Federation of Appalachian Housing Enterprises [FAHE] provides loans that make homeownership a reality for very low-income families, many of whom have previously lived in rented trailers without heat or running water. FAHE has lent $3.2 million for more than 172 housing units, including loans to borrowers with incomes as low as $5,000 a year.

The Coalition for Women's Economic Development in South Central Los Angeles operates a 12-week training program in Spanish and English, for low-income women seeking to operate their own enterprises.

Santa Cruz Community Credit Union in California, which has lent more than $27 million to small businesses, non-profits and cooperatives, supplements its credit union lending with a non-profit housing development subsidiary, Seascape Senior Housing. Seascape developed and owns an 80 unit low-income housing project.

The Quitman County Federal Credit Union in Mississippi is located in one of the ten poorest counties in the United States. As a community development credit union, the credit union has been able to supplement the small savings of its 600 members with more than $1 million in nonmember deposits, enabling the development of home improvement and minority small business lending programs.

For years, the Delaware Valley Community Loan Fund was one of the only lenders in Camden, New Jersey. Its successful lending has led to a 7 bank multimillion dollar loan pool for the disinvested area managed by the loan fund.

Mr. NUNN. Mr. President, I understand that an agreement has been worked out between the two sides on this legislation, but I want to set the record straight on a few issues which I believe to be of particular importance.

The initiative in question is the Corporation for National and Community Service. In the last few days, several of our colleagues have come to the floor and, for one reason or another, discussed this initiative in a way which has deviated substantially from the facts. I want to provide information for the record to eliminate some of the misconceptions which may have been formed about National Service.

First, I would like all of us to be clear on the facts. Contrary to what we have heard on the Senate floor in the last week, AmeriCorps does not cost the taxpayer outrageous sums. Counting all costs, the average annual cost per AmeriCorps member is $17,600. $4,725 of that amount is an education award which is not given until after the year of service is complete.

Additionally, the program has benefited the efforts of many private organizations which depend on volunteers for their work. Many charitable organizations, from Habitat for Humanity to the Red Cross have resoundingly rebutted the argument that National Service injures the ethic of voluntarism in this country. These groups have often stated that the presence of AmeriCorps members has made their efforts to attract traditional volunteers even more effective.

Charitable organizations are not the only ones who have seen sufficient worth in the program to give it their vocal support. Many businesses also have seen the value of AmeriCorps as an investment and given it their own dollars to supplement those provided by the federal government. These private partners range from Alcoa to Xerox, with many others in between. I request unanimous consent that this information regarding the cost per AmeriCorps participant and the number of volunteers and business organizations supporting AmeriCorps be printed in the RECORD.

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

(See exhibit 1.)

Mr. NUNN. My second point is that National Service is successfully accomplishing its primary mission—performance of service. The anecdotal evidence

on this score is abundant. From helping clean up after last year's floods in the Midwest to immunizing 105,000 children in Texas, to building 60 homes for poor people in Americus, Georgia, these youngsters are performing real work that is needed by our communities. The independent research firm of Aguirre, International provides confirmation. They did a study of 52 randomly selected AmeriCorps sites across the country, and the findings from the study confirm that the achievements of this program are many and varied. I ask consent that the Aguirre International study be also printed in the RECORD.

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

(See exhibit 2.)

Mr. NUNN. Mr. President, my final point is that this project should not be a partisan issue. The debate on the original authorization was not marred by the misinformation and partisan rancor that we have seen during the last week. Indeed, the 1993 bill passed with the support of a number of Republicans in both Houses. I would hope that we could return the debate to that higher plane in the future. To that end, I would hope that my colleagues, whether they agree or disagree with the program, would take the time over the upcoming recess to visit an AmeriCorps site in their states. To my colleagues who are willing to make this visit, if you still have concerns about the program after you have made this good-faith effort to see it in action, that will be useful to an open, straightforward debate on the upcoming reauthorization. I believe that the minds of my colleagues will be changed when they see the results of this program.

In conclusion, I appreciate the indulgence of my colleagues on this matter, and I hope that we can continue the debate in an objective fashion. I am fully aware of the funding constraints which face our nation's government, but I am confident that the program will be judged valuable to our nation if judged on its true merits and true costs. I yield the floor.

EXHIBIT 1

AMERICORPS BUDGET AND MEMBERS

	1994	1995	1996
Budget	$376,000,000	$579,000,000	$828,000,000
[HUD/VA]	[$318,000,000]	[$516,000,000]	[$750,000,000]
Members	20,000	33,000	47,000
Average cost per Member	$18,800	$17,600	$17,600

Average total cost per member by category

Health/child care 7%	($1,200)
Grantee operations, planning, evaluation 23%	($4,075)
State Commissions 3%	($450)
Americorps' overhead 5%	($850)
(Represents 1995 Costs)	
Education Award 27%	($4,725)
Stipend 35%	($6,200)
Total	$17,600

EXHIBIT 2

AMERICORPS USA AT FIVE MONTHS

A SUMMARY OF ACCOMPLISHMENTS FROM 52 RANDOMLY SELECTED SITES

The following report aggregates and summarizes the bulk of the accomplishments of 1,654 AmeriCorps USA Members serving at 52 sites that were selected randomly from across the nation. Listed accomplishments represent the efforts of approximately 8% of AmeriCorps USA's operating sites during the first five months of operation—from September, 1994 through January, 1995.

The accomplishments are grouped within AmeriCorps USA's four issue areas: education, public safety, health and human needs, and environmental and neighborhood restoration. The list, while both long and diverse, is not exhaustive; not every accomplishment has been captured. Nevertheless, the list summarizes the major accomplishments of the selected sites.

EDUCATION

The AmeriCorps Members helped children and youth from impoverished urban and rural communities to succeed in school. They taught in classrooms, established new learning programs in and out of school, and prepared preschoolers for the demands of school. Specific accomplishments include the following:

Taught 1,430 and tutored 7,638 pre-school, elementary, and junior high school students in basic educational skills.

Conducted enriched learning programs and initiated new ones—such as computer-based reading instruction, peer tutoring, scientific experimentation, and programs for children with special needs—for 6,414 children.

Established after-school and vacation programs to reinforce the academic involvement of 4,656 children.

The AmeriCorps Members helped at-risk children succeed in school by assisting them and their families to develop their sense of civic and community responsibility and to become more stable, more self-sufficient, and more involved in the community. Specific accomplishments include the following:

Organized and supervised community service projects for 4,469 at-risk children and youth. Projects included neighborhood cleanups and providing food for elderly people.

Counseled, taught parenting skills, and/or provided problem solving assistance to 390 families, 183 teen parents, and the low-income families of 440 children at risk of failing in school.

Provide literacy or employment-related training for 694 adults.

Provided intensive educational support—including regular counseling—to 30 troubled teenagers living in group homes and 33 low-income children, including 22 homeless preschoolers.

PUBLIC SAFETY

The AmeriCorps Members started neighborhood safety programs, mobilized neighbors, and improved community/police relations, resulting in safer communities. Specific accomplishments include the following:

Escorted 8,500 children to school through safe corridors.

Started 258 neighborhood safety programs and patrolled 250 vacant buildings to prevent violence, drug-dealing and other illegal activities.

Initiated 2 programs to improve community/police relations, including assisting a police mobile unit.

The AmeriCorps Members worked to prevent violence in school by teaching mediation techniques, resulting in decreased incidence of violence and negative behavior. Specific accomplishments include the following:

Resolved 414 school conflicts that might otherwise have ended in violence or with students dropping out of school because of fear of violence.

Taught conflict resolution techniques to 8,119 school children.

Counseled and taught alternatives to violence to 1,350 potential or actual gang members and 54 parents of children at risk of becoming involved in gangs.

Initiated 3 programs to train school and community members to implement violence prevention activities.

Secured donated materials and created a memorial garden and mural in memory of 3 children slain in the streets.

The AmeriCorps Members worked to prevent violence and drug abuse in families and communities and provided direct assistance to victims of crime as well as referring them to needed services. Specific accomplishments include the following:

Conducted workshops for 220 at-risk individuals about family violence prevention.

Answered crisis hotline calls and made referrals for 878 victims of sexual and domestic violence.

Provided each of 470 victims of sexual and domestic violence with 30 days of counseling and assistance.

Counseled 35 elementary or high-school students in crisis as a result of rape, violence, or home difficulties.

Counseled, 1,180 teenager about alcohol and drug abuse.

Conducted home visits about drug or alcohol abuse prevention with 120 community residents.

HEALTH AND HUMAN NEEDS

The AmeriCorps Members made independent living easier for disabled, elderly, or hospitalized individuals by providing direct support service and by recruiting and organizing community volunteers. Specific accomplishments include the following:

Helped 123 elderly persons, 50 visually impaired adults, and 9 visually impaired children live independently.

Provided job-related training, independent living assistance and/or medical referrals for 135 mentally ill or developmentally disabled persons.

Organized weekly social activities for 400 elderly nursing home residents.

Constructed wheel-chair accessible trails, ramps, or sidewalks at 3 parks, 5 low-income homes, and 4 public buildings.

Obtained donated materials, trained 58 volunteers, and repair the homes 296 elderly persons.

The AmeriCorps Members provided emergency medical services, as well as health training and education. Specific accomplishments include the following:

Trained 1,144 inner-city residents in CPR.

Provided emergency medical services to over 1,500 people.

Screened 1,100 low-income children for lead toxicity and other health risks.

Provided health counseling, education, or referrals and transportation to 220 low-income families and over 5,000 individuals.

Disseminated health care information to 4,567 individuals.

Distributed 150 children's car seats to low-income families.

Conducted immunization screenings—immunizing 158 individuals and notifying 500 others of their families' need to be immunized.

Administered 301 HIV tests and counseled patients regarding results.

Conducted workshops and distributed information on AIDS and tuberculosis to over 7,000 people.

The AmeriCorps Members helped meet the basic needs of low-income and homeless people for food and shelter. They improved low-income housing, fed the hungry, and improved the methods of service referral and delivery. Specific accomplishments include the following:

Renovated 238 inner-city housing units and 99 rural homes; began renovation of 121 more.

Refurbished 2 homeless shelters and began to renovate 3 buildings—one for seniors, one for battered women, and one for the formerly homeless.

Distributed food to more than 16,625 low-income people and packed 7,000 dinners and 32,000 breakfasts for the hungry.

Found shelter for 400 homeless families, and sorted and distributed clothes to 350 homeless individuals.

Secured hospice housing for 27 people with AIDS and helped feed (on a weekly basis) 1,250 people who have AIDS or who are HIV positive.

Provided housing information or counseling to over 500 low-income and homeless families.

Secured donated furniture, repaired it, and delivered it to 300 newly-housed families.

ENVIRONMENTAL AND NEIGHBORHOOD RESTORATION

The AmeriCorps Members responded to emergencies, including post-disaster environmental restorations, and worked to improve emergency responses capacity in parks and public lands. Specific accomplishments include the following:

Inspected and repaired 87 small dams, protecting 200 farms.

Provided disaster recovery assistance to 350 land owners recovering from a flood; activities included sand and soil deposit mapping, advice on pasture and hayland management, watershed mapping, and computer simulations to plan floodplain management.

Fought 2 major forest fires and saved 1 national park road from washing out.

Joined at least 5 search and rescue efforts.

The AmeriCorps Members restored and stabilized the natural environment and wildlife habitats. Specific accomplishments include the following:

Planted 212,500 trees.

Restored 320 acres of wild land areas by repairing fire and flood damage, re-planting to prevent erosion, and fencing off wetlands to prevent illegal dumping.

Restored or stabilized 27 miles of riverbed and stream banks to improve the habitat of salmon; fenced another 7 miles to keep cattle from destroying spawning grounds; repaired three aquaculture tanks with a capacity to rear 1,000,000 salmon fry per year.

Removed 2,000 lbs. of trash from an urban river.

Monitored water quality in 2 parkland areas.

Surveyed 5,700 acres of National Forest land as part of reforestation programs to monitor reforestation efforts; conducted biological inventories on 12,000 acres of wetland.

Built, restored, or maintained 311 campsites, 88 miles of parkland trails, 17 bridges, and 1 mile of forest service road.

Cleaned up storm debris and trash on 3 beaches, protected sand dunes on one beach, and built one wildlife observation platform and 3 duck blinds.

The AmeriCorps Members improved neighborhoods, parks, and recreation facilities by converting vacant lots, renovating buildings, repairing public facilities, and conducting recycling and conservation programs, resulting in a heightened sense of community ownership. Specific accomplishments include the following:

Renovated 11 community buildings, including an inner-city medical clinic, community centers, and public schools.

Converted 29 overgrown lots into green space; built 7 community gardens; planted trees along 30 city blocks.

Cleaned 27 miles of road, restored 1 community reservoir, removed illegally dumped garbage from one community; and unclogged more than 14,000 storm drains.

Created 4 playgrounds, designed 1 picnic area, and improved safety at 1 scenic overlook. Restored, repaired, or maintained 19 historical landmarks and a traditional tribal longhouse.

Completed 61 inner-city neighborhood clean-ups—including a city-wide graffiti removal.

Distributed 1,375 low flush toilets and 1,700 water conserving showerheads in low-income neighborhoods—along with over 1,400 water conservation guides.

Recycled 920 inefficient toilets and 1,120 inefficient showerheads.

AMERICORPS COMMUNITY PARTNERS

The following is a partial list of national and local volunteer, charitable and service organizations through which AmeriCorps is getting things done in over a thousand communities across the nation.

4–H, Albany Police Department, American Red Cross, Arctic Village Tribal Council, Arlington Police Department, ASPIRA, Audubon Society, Big Brothers/Big Sisters, Big Horn Police Department, Boy Scouts of America, Boys and Girls Clubs, Camp Fire Boys and Girls, Casper Police Department, Catholic Charities, Chambers of Commerce, City of Decatur of Police Department, Clearwater Police Department, Coalition of 100 Black Women.

Confederated Tribes and Bands of Yakima, Dallas Police Department, D.A.R.E., Ft. Worth Police Department, Girl Scouts of the USA, Girls, Inc., Goodwill Industries, Habitat For Humanity, Hart County Police Department, Head Start Programs, Humane Society, I Have a Dream Foundation, Independent Sector, Indianapolis Police Department, Jewish Family Services, Jubilee Housing, Junior League.

Kickpoo Tribe, Lincoln County Sheriffs Department, Lions Club, Literacy Volunteers of America, Knick Tribal Council, Meals on Wheels, Metropolitan Police Department of St. Louis, Mid-Atlantic Network of Youth and Family Services, Navajo Nations, National AIDS Fund, National Center for Family Literacy.

National Council of Churches of Christ in the USA, National Council of Educational Opportunity Associations, National Council of LaRaza, National Council of Non Profit Associations, National Endowment for the Arts, National Multiple Sclerosis Society, National Organization for Victim Assistance, Neighborhood Green Corps, New York University, NezPerce Tribe, Northeastern University, Ouzinkie Tribal Council, Parents Anonymous, Philadelphia Bar Association, Pinelas Sheriffs Department, Points of Light Foundation.

Pompano Beach Police, Public Allies, Public Education Fund Network, Rotary Club, Salvation Army, Seattle Police Department, Shoshone-Bannock Tribe, Sierra Club, St. Petersburg Police Department, Sunflower Girls, Teach for America, Tuntutulkia Traditional Council, United Cerebral Palsey, University of Texas, Austin, United Way of America.

Urban League, Visiting Nurses Association, Volunteer Centers, Volunteers of America, Westin County Sheriffs Department, YMCA of the USA, YWCA.

Dozens of colleges and universities, community health centers, police and sheriffs departments, and hundreds of elementary, junior and high schools.

AMERICORPS INVESTORS

The following is a partial list of corporate giving programs and corporate, independent and community foundations that are investing in community service organizations that are a part of the AmeriCorps National Service Network:

Alcoa, AlliedSignal, Allstate, Amelior Foundation, American Airlines, American Express, Ameritech, Anheuser-Bush, ARCO, Arizona Foundation, Arthur Anderson, Bank of Boston, Bank of New Hampshire, Bechtel, BellSouth, Booth Ferris Industries, Boston Foundation.

British Petroleum, Bullitt Foundation, Burnett-Tandy Foundation, Cabletron Systems, California Community Foundation, Capital Community Foundation, Capitol Cities/ABC, Carnegie Corporation of NY, Amon G. Carter Foundation, Chevron, Citizens Bank, Compaq, Cowell Foundation, Charles A. Dana Foundation.

Digital Equipment Corporation, Echoing Green Foundation, Enron, Entergy, Fannie Mae, First Deposit National Bank, Fleet Bank, Ford Foundation, The Gap, General Electric, General Mills.

Grand Rapids Foundation, Greater Cincinnati Foundation, GTE, E. & W. Haas Jr. Foundation, Hall Family Foundations, Healthsource, Hogg Foundation, The Home Depot, Houston Endowment, IBM, JCPenny, J.P. Morgan, James Irvine Foundation, Robert Wood Johnson Foundation, Johnson & Johnson, Kansas City Community Foundation.

Kauffman Foundation, W.K. Kellogg Foundation, Key Bank of NY, Knight Foundation, Luce Foundation, MacArthur Foundation, MBNA, McKesson, Meadows Foundation, Mellon Bank, R.K. Mellon Foundation, Microsoft.

Millipore, Mobil, Monsanto, Morgan Stanley, Charles S. Mott Foundation, NationsBank, NH Charitable Foundation, Nike, NYNEX, Packard Foundation, Panhandle Eastern.

Patagonia, Pew Charitable Trust, Philip Morris, PNC Bank, Polariod, Prince Charitable Trust, Proctor and Gamble, Providian Bank, Prudential Insurance, Reebok, RI Hospital Trust Bank, Winthrop Rockfeller Foundation, The Rouse Company, Safeco Insurance, Sallie Mae, Joseph E. Seagram & Sons, Shell Oil.

Skillman Foundation, Sony Corporation of America, Sprint, Steelcase, Surdna Foundation, Tenneco, Texaco, Timberland, Time Warner, Toyota, Union Pacific, United Way of America.

UPS, U.S. Health Corporation, Waste Management, Western Resources, Lola Wright Foundation, Xerox.

The PRESIDING OFFICER. The question is on agreeing to the Dole-Daschle amendment No. 577.

The amendment (No. 577) was agreed to.

AMENDMENT NO. 420

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

The amendment (No. 420) was agreed to.

Mrs. BOXER. Mr. President, I will vote yes on final passage of this supplemental Appropriations/Rescission bill, but I do so with reservations.

This bill provides 6.7 billion dollars for disaster assistance, more than 70 percent of which will go to California earthquake and flood victims. This is

an urgent and necessary response to the heartbreaking disasters California has faced.

I regret that Republicans have played politics with disaster assistance—for the first time in history—by using it as a hook for their agenda to slash programs that benefit children, education, working families, and the poor.

If the Senate were considering the House passed version of this legislation, I would vote no, because that is a bad bill for both my State and my country.

But the Senate bill is different in two significant ways:

First, the Senate Appropriations Committee added back funds in critical education and housing programs.

Second, Senate Democrats were successful on the floor in restoring funds for Head Start, Child Nutrition, Safe and Drug Free Schools, Housing, and other programs that are so important to the well-being of our children.

So I will vote to send this bill to conference with the House. But I reserve the right to vote no on the conference agreement if it comes back looking like the mean-spirited House bill. I cannot support any bill that does not maintain funds for our children at the Senate-passed level or higher.

Mr. BRADLEY. Mr. President, the Senate is about to finish consideration of a Rescissions bill that reduces the Operation and Maintenance Account of the Bureau of Reclamation by $10 million. This amount is identical to the sum rescinded by the House, and I support it. As the former Chairman and current ranking member of the Subcommittee with authorizing jurisdiction over the Bureau, I have seen opportunities for the Bureau of Reclamation to reduce spending. I have no doubt that this cut can be absorbed, given the streamlining that is now occurring within the Bureau.

I note, however, that the Senate has wisely avoided commenting on particular operations. This has two benefits. First, it gives the Bureau the flexibility to deal with this cut in the most effective and appropriate manner. It won't be easy to cut this account, given that the fiscal year is half over. The project managers need to be creative and do not need legislative handcuffs.

Second, the House report suggests that one way to balance this account is to stop a study of the San Joaquin River that was established in law through the Central Valley Project Improvement Act. This language is notably absent from the Senate report.

As the author of this landmark CVPIA law, I am surprised at the House report language. This San Joaquin study is specifically ordered in this public law and, in fact, has a statutory deadline for action by the Bureau. Clearly, this statute is unaffected by any Committee Report language, and the law remains binding on the Bureau.

Additionally, I am puzzled by this suggested target, since cutting the San Joaquin River Comprehensive Plan, either directly or through report language if possible, would not save the taxpayer any money. Indeed, the study is not even funded out of the Bureau's Operating Account! The Plan was established in the statute and financed through a surcharge on the sales of water from the Central Valley Project. In fact, if these funds are not spent on this Plan, the law still requires that the full amount be spent on other fish and wildlife restoration efforts. There can be and will be no deficit reduction from stopping this Plan.

Mr. President, in summary, I'm pleased with the Senate action. Spending cuts will occur, as agreed with the House. And the San Joaquin study will continue, as specifically directed in public law. The restoration of the San Joaquin River would bring benefits throughout California. We need to know if this restoration can occur and how it would be achieved.

Mr. ABRAHAM. Mr. President, I will vote for this rescission bill because I believe it will greatly benefit the citizens of Michigan by reducing the burden of Government spending and deficits on the economy. Each dollar that Washington does not spend on Government programs means $1 more than Americans can spend for their families.

While I did fight to restore funding for a few specific programs slated for rescission because of their critical importance to Michigan—such things as the Low-Income Heating Energy Assistance Program and the Center for Ecology Research and Training slated to be located in Bay City, MI—I do believe that this rescission package is a win for the people of Michigan because it is the first down-payment toward reducing the size and scope of Government.

Specifically, this bill will reduce Government spending by $15 billion. That represents a reduction of 1 percent of the entire Federal budget of $1.5 trillion this year—hardly a draconian reduction in Government spending as some special interest groups have claimed.

Nonetheless, these spending reductions are crucial to our Nation, and to Michigan in particular. This bill will help my State by reducing the deficit, freeing up economic resources for the economy, and job creation in particular. Moreover, American taxpayers send 25% of their paychecks to Washington.

Furthermore, it is clear that we need to take immediate action to reduce Government spending because projected deficits are getting larger, not smaller, under President Clinton's budget policies.

Contrary to conventional wisdom, President Clinton's budget policies have had almost nothing to do with the slight improvement in the size of the budget deficit that has occurred in recent years. According to the CATO Institute, almost all of the deficit reduction since 1992 is attributable to three main factors: No. 1, the one-time sale of assets and properties acquired by the Federal Government during the savings and loan bailout of the late 1980's—which alone has accounted for about $75 billion in deficit reduction in recent years; No. 2, reductions in defense spending resulting from the end of the cold war; and No. 3, the cyclical economic recovery that began well before President Clinton took the oath of office.

Federal spending continues to spiral out of control. Under President Clinton, the level of Federal spending as a share of the national income is about 23 percent, near historic levels. According to the nonpartisan Congressional Budget Office, unless we take action to halt the growth of Government spending, it will automatically rise from $1.531 trillion this year to $2.202 trillion by 2002.

Under the President's budget plan, deficit spending would continue to explode. The CBO reports that the annual deficit will rise from $170 billion this year to over $200 billion next year and to almost $300 billion a year over the next 4 years. Under President Clinton's policies, $1.4 trillion dollars will be added to the national debt, thereby increasing interest payments, crowding out private sector investment, and reducing the economic well-being of America's children.

I am particularly concerned about the budget crisis occurring in the Housing and Urban Development's subsidized housing program. The CBO projects that the future obligations to renew the expiring section 8 contracts will add $20 billion to the budget by the year 2000. This $15 billion rescission package would partially offset these added budget costs.

Mr. President, this rescission package is only a small example of the kind of reductions in the growth rate of Government spending that will be required to balance the budget. According to the CBO projections, if we simply limit annual spending increases to 2.9 percent between now and 2002, we can balance the budget. In other words, achieving a balanced budget requires not absolute cuts in Government spending, but rather reductions in the rate of growth of Government spending.

Mr. President, the best thing I can do for the citizens of Michigan is to reduce the burden of Government and let them keep more of what they earn. By reducing the growth rate of Government spending and cutting taxes, we can strengthen America's and Michigan's families, businesses, and voluntary organizations. This rescission bill is an important first step in achieving the electorate's desire for smaller Government. I yield the floor.

Mr. DOLE. Mr. President, with all the rhetoric spoken over the last few

days, some of us seem to have forgotten why we are here—to cut unnecessary spending. Yes, there will always be differences of opinion as to priorities, but the fundamental commitment to reassess every Federal program and reduce Federal expenditures must be paramount.

I am pleased the Democratic leader and I have reached agreement, supported by our colleagues, that will enable us to help keep our promise to the American people. In the amendment, a very limited number of programs which Members on both sides of the aisle support, have received smaller reductions in their rate of increase. At the same time, the amendment also contains a number of items that will result in additional savings being achieved. Most important to this Senator, overall the amendment will result in additional deficit reduction.

As a result of this amendment, the package we will send to the conference will contain approximately $16 billion in savings. I repeat, $16 billion—that's not over 2 years or 5 years, that's this year.

For all those who supported a balanced budget—rest assured we are committed to achieving that goal even if it means making some tough choices. Of course, the real hard decisions have yet to be made. And, we will not be deterred by the hue and cry of the last few days about all the so-called terrible things the Republicans have proposed. This bill is certainly progress, but we still have a long way to go. While I am pleased we were finally able to reach consensus—I caution everyone that the real hard choices are yet to come.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time.

Mr. DOLE addressed the Chair.

The PRESIDING OFFICER. The majority leader.

Mr. DOLE. Mr. President, if I could have my colleagues' attention.

The PRESIDING OFFICER. The Senate will be in order.

The majority leader.

Mr. DOLE. It is my understanding there will be no requests for a vote on either side on the defense supplemental bill, no request for a vote on the contract board, the District of Columbia, no request for a record vote on child pornography, and the paperwork simplification conference report is done, and other wrap-up material with only minor changes in the Constitution.

But I just say for my colleagues, it will be our intention at 1 o'clock on Monday, April 24, to begin consideration of H.R. 956, the product liability bill, and following disposition of product liability it will be my intention to proceed to S. 652, the telecommunications bill. Votes could occur during Monday's session of the Senate but will not occur prior to the hour of 3 p.m. on Monday, April 24.

Mr. CHAFEE. How about tonight?

Mr. DOLE. This will be the last vote until hopefully April 24, after 3 p.m. There could be votes after 3 p.m. If we should decide in the interim there will be no votes, we will try to notify you the earliest possible time before you are in the air.

I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

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

The assistant legislative clerk called the roll.

Mr. FORD. I announce [Ms. MIKULSKI] as necessarily absent.

I further announce that if present and voting. [Ms. MIKULSKI] would vote ''nay'',

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

The result was announced—yeas 99, nays 0, as follows:

[Rollcall vote No. 132 Leg.]

YEAS—99

Abraham	Feingold	Lott
Akaka	Feinstein	Lugar
Ashcroft	Ford	Mack
Baucus	Frist	McCain
Bennett	Glenn	McConnell
Biden	Gorton	Moseley-Braun
Bingaman	Graham	Moynihan
Bond	Gramm	Murkowski
Boxer	Grams	Murray
Bradley	Grassley	Nickles
Breaux	Gregg	Nunn
Brown	Harkin	Packwood
Bryan	Hatch	Pell
Bumpers	Hatfield	Pressler
Burns	Heflin	Pryor
Byrd	Helms	Reid
Campbell	Hollings	Robb
Chafee	Hutchison	Rockefeller
Coats	Inhofe	Roth
Cochran	Inouye	Santorum
Cohen	Jeffords	Sarbanes
Conrad	Johnston	Shelby
Coverdell	Kassebaum	Simon
Craig	Kempthorne	Simpson
D'Amato	Kennedy	Smith
Daschle	Kerrey	Snowe
DeWine	Kerry	Specter
Dodd	Kohl	Stevens
Dole	Kyl	Thomas
Domenici	Lautenberg	Thompson
Dorgan	Leahy	Thurmond
Exon	Levin	Warner
Faircloth	Lieberman	Wellstone

NOT VOTING—1

Mikulski

So the bill (H.R. 1158), as amended, was passed.

Mr. HATFIELD. Mr. President, I move to reconsider the vote by which the bill passed, and I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HATFIELD. Mr. President, I ask unanimous consent that the enrolling clerk, in making technical and clerical corrections to the bill, may insert all amendments that have been adopted to the committee substitute at appropriate places in the Senate amendment to the House bill.

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

Mr. HATFIELD. I move that the Senate insist on its amendment, request a conference with the House on the disagreeing votes of the two Houses, and the Chair be authorized to appoint conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer (Mr. ASHCROFT) appointed Mr. HATFIELD, Mr. STEVENS, Mr. COCHRAN, Mr. SPECTER, Mr. DOMENICI, Mr. GRAMM, Mr. BOND, Mr. GORTON, Mr. MCCONNELL, Mr. MACK, Mr. BURNS, Mr. SHELBY, Mr. JEFFORDS, Mr. GREGG, Mr. BENNETT, Mr. BYRD, Mr. INOUYE, Mr. HOLLINGS, Mr. JOHNSTON, Mr. LEAHY, Mr. BUMPERS, Mr. LAUTENBERG, Mr. HARKIN, Mrs. MIKULSKI, Mr. REID, Mr. KERREY, Mr. KOHL, and Mrs. MURRAY.

APPOINTMENTS BY THE VICE PRESIDENT

The PRESIDING OFFICER. The Chair, on behalf of the Vice President, pursuant to Public Law 94–304, as amended by Public Law 99–7, appoints the following Senators to the Commission on Security and Cooperation in Europe: the Senator from New Jersey [Mr. LAUTENBERG], the Senator from Nevada [Mr. REID], and the Senator from Florida [Mr. GRAHAM].

The Chair, on behalf of the Vice President, pursuant to the provisions of Public Law 99–151, appoints the Senator from Iowa [Mr. GRASSLEY] as a member and Chairman of the U.S. Senate Caucus on International Narcotics Control.

APPOINTMENTS BY THE PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The Chair, on behalf of the President pro tempore, pursuant to Public Law 96–388, as amended by Public Law 97–84, appoints the Senator from Iowa [Mr. GRASSLEY], vice the Senator from Ohio [Mr. METZENBAUM], to the U.S. Holocaust Memorial Council.

The Chair, on behalf of the President pro tempore, in accordance with Public Law 99–498, section 1505(a)(1)(B)(ii), appoints the Senator from Hawaii [Mr. INOUYE] to the Board of Trustees of the Institute of American Indian and Alaska Native Culture and Arts Development.

The Chair, on behalf of the President pro tempore, in accordance with Public Law 99–498, section 1505(a)(1)(B)(ii), appoints the Senator from New Mexico [Mr. DOMENICI] to the Board of Trustees of the Institute of American Indian and Alaska Native Culture and Arts Development.

MORNING BUSINESS

Mr. THOMPSON. Mr. President, I ask unanimous consent that there now be a

period for the transaction of morning business, with Senators permitted to speak for not to exceed 5 minutes each.

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

NOTICE

Incomplete record of Senate proceedings. Except for concluding business which follows, today's Senate proceedings will be continued in the next issue of the Record.

ORDERS FOR FRIDAY, APRIL 7, 1995

Mr. THOMPSON. Mr. President, I ask unanimous consent that when the Senate completes its business today it stand in recess until 10:30 a.m. on Friday, April 7, and that following the prayer, the Journal of proceedings be deemed approved to date and the time for the two leaders be reserved for their use later in the day; that there then be a period for routine morning business until the hour of 1 p.m., with Senators permitted to speak for up to 5 minutes each.

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

PROGRAM

Mr. THOMPSON. Mr. President, for the information of all Senators, there will be no rollcall votes during Friday's session of the Senate. The Senate will conduct routine morning business only.

RECESS UNTIL 10:30 A.M. TOMORROW

Mr. THOMPSON. Mr. President, if there is no further business to come before the Senate, I now ask unanimous consent the Senate stand in recess under the previous order.

There being no objection, the Senate, at 10:43 p.m., recessed until Friday, April 7, 1995, at 10:30 a.m.

NOMINATIONS

Executive nominations received by the Senate April 6, 1995:

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

ROBERTA L. GROSS, OF THE DISTRICT OF COLUMBIA, TO BE INSPECTOR GENERAL, NATIONAL AERONAUTICS AND SPACE ADMINISTRATION, VICE BILL D. COLVIN, RESIGNED.

DEPARTMENT OF AGRICULTURE

KARL N. STAUBER, OF MINNESOTA, TO BE UNDER SECRETARY OF AGRICULTURE FOR RESEARCH, EDUCATION, AND ECONOMICS. (NEW POSITION.)

THE JUDICIARY

A. WALLACE TASHIMA, OF CALIFORNIA, TO BE U.S. CIRCUIT JUDGE FOR THE NINTH CIRCUIT, VICE ARTHUR L. ALARCON, RETIRED.

IN THE AIR FORCE

THE FOLLOWING-NAMED OFFICERS FOR APPOINTMENT TO THE GRADE OF GENERAL ON THE RETIRED LIST PURSUANT TO THE PROVISIONS TO TITLE 10, UNITED STATES CODE, SECTION 1370:

To be general

GEN. CHARLES G. BOYD, 000–00–0000
GEN. JOHN M. LOH, 000–00–0000

THE FOLLOWING-NAMED OFFICER FOR APPOINTMENT TO THE GRADE OF GENERAL WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, UNITED STATES CODE, SECTION 601:

To be general

LT. GEN. JOSEPH W. RALSTON, 000–00–0000

THE FOLLOWING-NAMED OFFICERS FOR APPOINTMENT TO THE GRADE OF LIEUTENANT GENERAL WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, UNITED STATES CODE, SECTION 501:

To be lieutenant general

MAJ. GEN. RALPH E. EBERHART, 000–00–0000
MAJ. GEN. EUGENE D. SANTARELLI, 000–00–0000

THE FOLLOWING-NAMED OFFICER FOR REAPPOINTMENT TO THE GRADE OF LIEUTENANT GENERAL WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, UNITED STATES CODE, SECTION 601:

To be lieutenant general

LT. GEN. JOHN S. FAIRFIELD, 000–00–0000

THE FOLLOWING-NAMED OFFICER FOR APPOINTMENT TO THE GRADE OF LIEUTENANT GENERAL ON THE RETIRED LIST PURSUANT TO THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTION 1370:

To be lieutenant general

LT. GEN. CARL G. O'BERRY, 000–00–0000

IN THE NAVY

THE FOLLOWING-NAMED OFFICER FOR APPOINTMENT TO THE GRADE OF VICE ADMIRAL WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, UNITED STATES CODE, SECTION 601:

To be vice admiral

REAR ADM. JAMES R. FITZGERALD, 000–00–0000

CONFIRMATIONS

Executive nominations confirmed by the Senate April 6, 1995:

FEDERAL TRADE COMMISSION

ROBERT PITOFSKY, OF MARYLAND, TO BE A FEDERAL TRADE COMMISSIONER FOR THE TERM OF 7 YEARS FROM SEPTEMBER 26, 1994.

CONSUMER PRODUCT SAFETY COMMISSION

THOMAS HILL MOORE, OF FLORIDA, TO BE A COMMISSIONER OF THE CONSUMER PRODUCTS SAFETY COMMISSION FOR THE REMAINDER OF THE TERM EXPIRING OCTOBER 26, 1996.

DEPARTMENT OF THE INTERIOR

WILMA A. LEWIS, OF THE DISTRICT OF COLUMBIA, TO BE INSPECTOR GENERAL, DEPARTMENT OF THE INTERIOR

NATIONAL COUNCIL ON DISABILITY

YERKER ANDERSSON, OF MARYLAND, TO BE A MEMBER OF THE NATIONAL COUNCIL ON DISABILITY FOR A TERM EXPIRING SEPTEMBER 17, 1996.

JOHN A. GANNON, OF OHIO, TO BE A MEMBER OF THE NATIONAL COUNCIL ON DISABILITY FOR A TERM EXPIRING SEPTEMBER 17, 1995.

AUDREY L. MC CRIMON, OF ILLINOIS, TO BE A MEMBER OF THE NATIONAL COUNCIL ON DISABILITY FOR A TERM EXPIRING SEPTEMBER 17, 1997.

LILLIAM RANGEL POLLO, OF FLORIDA, TO BE A MEMBER OF THE NATIONAL COUNCIL ON DISABILITY FOR A TERM EXPIRING SEPTEMBER 17, 1996.

DEBRA ROBINSON, OF PENNSYLVANIA, TO BE A MEMBER OF THE NATIONAL COUNCIL ON DISABILITY FOR A TERM EXPIRING SEPTEMBER 17, 1997.

RAE E. UNZICKER, OF NORTH DAKOTA, TO BE A MEMBER OF THE NATIONAL COUNCIL ON DISABILITY FOR A TERM EXPIRING SEPTEMBER 17, 1997.

ELA YAZZIE-KING, OF ARIZONA, TO BE A MEMBER OF THE NATIONAL COUNCIL ON DISABILITY FOR A TERM EXPIRING SEPTEMBER 17, 1996.

NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES

ROBERT G. BREUNIG, OF ARIZONA, TO BE A MEMBER OF THE NATIONAL MUSEUM SERVICES BOARD FOR A TERM EXPIRING DECEMBER 6, 1998.

KINSHASHA HOLMAN CONWILL, OF NEW YORK, TO BE A MEMBER OF THE NATIONAL MUSEUM SERVICES BOARD FOR A TERM EXPIRING DECEMBER 6, 1997.

CHARLES HUMMEL, OF DELAWARE, TO BE A MEMBER OF THE NATIONAL MUSEUM SERVICES BOARD FOR A TERM EXPIRING DECEMBER 6, 1999.

AYSE MANYAS KENMORE, OF FLORIDA, TO BE A MEMBER OF THE NATIONAL MUSEUM SERVICES BOARD FOR THE REMAINDER OF THE TERM EXPIRING DECEMBER 6, 1995.

NANCY MARSIGLIA, OF LOUISIANA, TO BE A MEMBER OF THE NATIONAL MUSEUM SERVICES BOARD FOR A TERM EXPIRING DECEMBER 6, 1998.

ARTHUR ROSENBLATT, OF NEW YORK, TO BE A MEMBER OF THE NATIONAL MUSEUM SERVICES BOARD FOR A TERM EXPIRING DECEMBER 6, 1998.

RUTH Y. TAMURA, OF HAWAII, TO BE A MEMBER OF THE NATIONAL MUSEUM SERVICES BOARD FOR A TERM EXPIRING DECEMBER 6, 1998.

TOWNSEND WOLFE, OF ARKANSAS, TO BE A MEMBER OF THE NATIONAL MUSEUM SERVICES BOARD FOR A TERM EXPIRING DECEMBER 6, 1998.

PHILLIP FROST, OF FLORIDA, TO BE A MEMBER OF THE NATIONAL MUSEUM SERVICES BOARD FOR A TERM EXPIRING DECEMBER 6, 1998.

JOHN L. BRYANT, JR., OF THE DISTRICT OF COLUMBIA, TO BE A MEMBER OF THE NATIONAL MUSEUM SERVICES BOARD FOR A TERM EXPIRING DECEMBER 6, 1998.

HARRY S TRUMAN SCHOLARSHIP FOUNDATION

E. GORDON GEE, OF OHIO, TO BE A MEMBER OF THE BOARD OF TRUSTEES OF THE HARRY S TRUMAN SCHOLARSHIP FOUNDATION FOR A TERM EXPIRING DECEMBER 10, 1999.

JOSEPH E. STEVENS, JR., OF MISSOURI, TO BE A MEMBER OF THE BOARD OF TRUSTEES OF THE HARRY S TRUMAN SCHOLARSHIP FOUNDATION FOR A TERM EXPIRING DECEMBER 10, 1997.

STEVEN L. ZINTER, OF SOUTH DAKOTA, TO BE A MEMBER OF THE BOARD OF TRUSTEES OF THE HARRY S TRUMAN SCHOLARSHIP FOUNDATION FOR A TERM EXPIRING DECEMBER 10, 1997.

BARRY GOLDWATER SCHOLARSHIP AND EXCELLENCE IN EDUCATION FOUNDATION

PEGGY GOLDWATER-CLAY, OF CALIFORNIA, TO BE A MEMBER OF THE BOARD OF TRUSTEES OF THE BARRY GOLDWATER SCHOLARSHIP AND EXCELLENCE IN EDUCATION FOUNDATION FOR A TERM EXPIRING JUNE 5, 2000.

GEN. WILLIAM W. QUINN, U.S. ARMY, RETIRED, OF MARYLAND, TO BE A MEMBER OF THE BOARD OF TRUSTEES OF THE BARRY GOLDWATER SCHOLARSHIP AND EXCELLENCE IN EDUCATION FOUNDATION FOR A TERM EXPIRING 13, 1999.

LYNDA HARE SCRIBANTE, OF NEBRASKA, TO BE A MEMBER OF THE BOARD OF TRUSTEES OF THE BARRY GOLDWATER SCHOLARSHIP AND EXCELLENCE IN EDUCATION FOUNDATION FOR A TERM EXPIRING OCTOBER 13, 1999.

NIRANJAN SHAMALBHAI SHAH, OF ILLINOIS, TO BE A MEMBER OF THE BOARD OF TRUSTEES OF THE BARRY GOLDWATER SCHOLARSHIP AND EXCELLENCE IN EDUCATION FOUNDATION FOR A TERM EXPIRING AUGUST 11, 1998.

NATIONAL SCIENCE FOUNDATION

SANFORD D. GREENBERG, OF THE DISTRICT OF COLUMBIA, TO BE A MEMBER OF THE NATIONAL SCIENCE BOARD, NATIONAL SCIENCE FOUNDATION, FOR A TERM EXPIRING MAY 10, 2000.

EVE L. MENGER, OF NEW YORK, TO BE A MEMBER OF THE NATIONAL SCIENCE BOARD, NATIONAL SCIENCE FOUNDATION, FOR A TERM EXPIRING MAY 10, 2000.

CLAUDIA MITCHELL-KERNAN, OF CALIFORNIA, TO BE A MEMBER OF THE NATIONAL SCIENCE BOARD, NATIONAL SCIENCE FOUNDATION, FOR A TERM EXPIRING MAY 10, 2000.

DIANA S. NATALICIO, OF TEXAS, TO BE A MEMBER OF THE NATIONAL SCIENCE BOARD, NATIONAL SCIENCE FOUNDATION, FOR A TERM EXPIRING MAY 10, 2000.

ROBERT M. SOLOW, OF MASSACHUSETTS, TO BE A MEMBER OF THE NATIONAL SCIENCE BOARD, NATIONAL SCIENCE FOUNDATION, FOR A TERM EXPIRING MAY 10, 2000.

WARREN M. WASHINGTON, OF COLORADO, TO BE A MEMBER OF THE NATIONAL SCIENCE BOARD, NATIONAL SCIENCE FOUNDATION, FOR A TERM EXPIRING MAY 10, 2000.

JOHN A. WHITE, JR., OF GEORGIA, TO BE A MEMBER OF THE NATIONAL SCIENCE BOARD, NATIONAL SCIENCE FOUNDATION, FOR A TERM EXPIRING MAY 10, 2000.

NATIONAL MEDIATION BOARD

KENNETH BYRON HIPP, OF HAWAII, TO BE A MEMBER OF THE NATIONAL MEDIATION BOARD FOR A TERM EXPIRING JULY 1, 1997.

RAILROAD RETIREMENT BOARD

JEROME F. KEVER, OF ILLINOIS, TO BE A MEMBER OF THE RAILROAD RETIREMENT BOARD FOR A TERM EXPIRING AUGUST 28, 1998.

NATIONAL INSTITUTE FOR LITERACY

MARCIENE S. MATTLEMAN, OF PENNSYLVANIA, TO BE A MEMBER OF THE NATIONAL INSTITUTE FOR LITERACY ADVISORY BOARD FOR THE REMAINDER OF THE TERM EXPIRING OCTOBER 12, 1995.

NATIONAL COMMISSION ON LIBRARIES AND INFORMATION SCIENCE

JOAN CHALLINOR, OF THE DISTRICT OF COLUMBIA, TO BE A MEMBER OF THE NATIONAL COMMISSION ON LIBRARIES AND INFORMATION SCIENCE FOR A TERM EXPIRING JULY 19, 1999.

NUCLEAR REGULATORY COMMISSION

SHIRLEY ANN JACKSON, OF NEW JERSEY, TO BE A MEMBER OF THE NUCLEAR REGULATORY COMMISSION FOR A TERM OF 5 YEARS EXPIRING JUNE 30, 1999.

DEPARTMENT OF STATE

JACQUELYN L. WILLIAMS-BRIDGERS, OF MARYLAND, TO BE INSPECTOR GENERAL DEPARTMENT OF STATE.

THE ABOVE NOMINATIONS WERE APPROVED SUBJECT TO THE NOMINEES' COMMITMENT TO RESPOND TO REQUESTS TO APPEAR AND TESTIFY BEFORE ANY DULY CONSTITUTED COMMITTEE OF THE SENATE.

IN THE NAVY

THE FOLLOWING-NAMED OFFICER FOR APPOINTMENT TO THE GRADE OF ADMIRAL WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, UNITED STATES CODE, SECTIONS 601 AND 5035:

VICE CHIEF OF NAVAL OPERATIONS

to be admiral

VICE ADM. JOSEPH W. PRUEHER, 000–00–0000

EXTENSIONS OF REMARKS

TERM LIMITS

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 5, 1995

Mr. HAMILTON. Mr. Speaker, I would like to insert my Washington Report for Wednesday, April 5, 1995, into the CONGRESSIONAL RECORD.

TERM LIMITS

In recent years public frustration with the performance of government has been fueled by various scandals and a lack of progress on the budget deficit and other pressing national issues. I share this frustration. Among the many proposals to alleviate this problem are campaign finance reform, tougher ethics laws, restrictions on lobbyists, and term limits for elected officials. The new congressional leadership has chosen to focus solely on term limits.

Recently the House considered several different versions of a constitutional amendment to limit the number of terms for Members of the House and Senate. Some versions included a 12-year limit for Representatives and Senators; another imposed a shorter 6-year limit on Representatives. Other options would allow states to impose stricter limits if they so desired. None of the amendments received the necessary ⅔ vote needed for passage.

Supporters of term limits contend that they are necessary to assure a ''legislature of citizens'', bringing new blood to Washington and competition to the political process. With term limits, Members might not be tempted to protect their legislative careers at the expense of the country. A completely new membership would restore confidence in Congress and promote confidence in Congress and promote bolder decision-making on Capitol Hill. Although supporters of term limits raise some legitimate concerns, in my view the arguments against term limits are more persuasive.

TIME LAG

Term limits advocates argue that changing the Constitution is necessary to get legislators to tackle the tough issues we face as a nation today. Yet the main version they push would have no effect for almost two decades. Once approved by Congress, the term limits amendment would have to be ratified by the states, and they would have 7 years to do so. If ratified, the amendment would only apply to elections after ratification, which means 12 additional years of service for sitting members. Thus the first year in which someone would actually leave office because of term limits could be 19 years from now—the year 2014. This is clearly not an answer to today's problems.

ACCOUNTABILITY

Elections keep Members accountable. Under term limits, however, a large proportion of the House would be ineligible for reelection, and could completely ignore their constituents, missing votes, staying away from their home districts, and lining up lucrative jobs after they leave Congress. This republic has been well-served since its birth by the belief that accountability in elected officials should be enforced by voters through frequent elections. Why should voters be denied the right to return those who have maintained their public trust? That is why I have also opposed the present constitutional term limits imposed on Presidents. Term limits dilute the accountability of elected officials.

POWER

One unintended consequence of term limits is that by eliminating experience in elected office, power would shift to unelected special interest groups, congressional staff, and federal bureaucrats. In our system of government, power does not simply evaporate; it flows to others—to the unelected and unaccountable. It is hard to imagine a greater advantage for a President or the special interests than to purge Congress of experienced legislators who are experts on certain issues, who understand the workings of government, and who remember the problems of the past.

EXPERIENCE

Term limits penalize experience. No other profession does that, and no other country imposes term limits on national legislators. Our country's founders noted that courage by public officials not to pander to the people requires a self-confidence and credibility that only experience can bring. Experience gives Members the ability to stand up to powerful special interests. The nation benefits from having Members in Congress who debated the Persian Gulf War, health care reform, Watergate, tax reform, and the savings and loan crisis. Experience helps us avoid mistakes of the past. I am not persuaded that in this day of very complicated problems an inexperienced legislature is better than a more professional legislature.

HIGH CONGRESSIONAL TURNOVER

Term limits are unnecessary. Elections work. There is already substantial turnover in the membership of Congress. More than 50% of the House has served less than 5 years, and the average length of service is already less than 12 years. Voters have shaken up Congress a great deal in a short amount of time. Congress is improved by the flow of fresh ideas from these new legislators, just as it is improved by the insights of experience. The best solution is to allow voters to determine the proper balance between freshness and experience.

DEMOCRACY

Term limits are fundamentally undemocratic. Our founding fathers specifically rejected term limits because they limit the choice of the voter to choose who will represent them. Term limits substitute an arbitrary rule for the independent judgement of voters. In effect, the present electoral system provides strong term limits every two years. A citizen who believes a Member of Congress should not serve more than a few years is free to vote against the incumbent, but a law should not prevent other voters from voting for a particular person. If the problem is poor representation, the solution is campaign finance reform and lobbying restrictions, which would expand democracy and limit special interests instead of limiting the voters' choice.

In the end, I do not think that term limits would deal with the causes of frustration with Congress that prompt support for term limits in the first place—certainly not until well into the 21st century. They would do nothing to deliver services better, or cut government waste, or solve any of the social problems that desperately need solving. We are again looking for a procedural fix when we really need to start dealing with the substantive issues. Term limits are a barometer of the discontent with government that exists around the country, and all Members should heed the warning.

INTRODUCTION OF FOUR BILLS TO IMPROVE FEDERAL CONTRACTING PRACTICES

HON. ELEANOR HOLMES NORTON

OF THE DISTRICT OF COLUMBIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 5, 1995

Ms. NORTON. Mr. Speaker, today I am introducing four bills to bring some accountability and cast a search light on the elusive, stealth ''shadow government.'' This government we cannot see is the proliferating and largely unmonitored private contract service sector and work force from which the Federal Government procures services. Although a huge $105 billion Goliath, this sector has emerged unscathed and uncut at a time when deficit reduction has spared few others.

In fact, service contracting constitutes the fastest growing area of Federal Procurement. In the 1980's, Federal officials acted as if they wanted to contract out the entire Government. From fiscal year 1989 to fiscal year 1992 alone, before the Clinton administration came into office, the number of contractors doing business with the Government rose from 62,819 to 82,472. Over that same period, the amount of money shelled out to contractors of all kinds mushroomed from $184 billion to almost $200 billion. Service contracts alone account for $105 billion of the $200 billion spent each year on outside contracts.

This is a Government-created and financed monster that the OMB itself concedes is out of control. How extraordinary, then, that in a budget which has left no visible stone unturned, this large Federal expenditure has remained hidden in the shadows and has not contributed a single dollar of mandated cuts to deficit reduction, as Federal agencies and employees have. How remarkable that, despite a Government-wide effort to promote efficiency, we have not considered the inefficiency of guaranteeing contractors an invulnerable chuck of tax dollars.

The Clinton administration, to its credit, has worked hard to make service contractors more responsive—for example, by proposing new performance-based standards for existing service contracts. how surprising, then, that the budget the Congress is now considering proposes no cuts in funds allocated for service contracts—thus leaving untouched a huge source of potential savings—while demanding continued sacrifices from the career work force that makes up the ''visible government.'' Thus far, the shadow government has not registered beneath the green eyeshades of budget cutters, including the Congress.

The time is long past due for overhauling contracting practices. With the four bills I am introducing today, I hope to help begin the process of reinventing Federal contracting just as the rest of our Government is being reinvented.

FULL FEDERAL PAY RAISE

My first bill would cut $2 billion in Federal agency funds for service contracts and make this money available for pay raises that are due Federal employees next year. Federal employees are again being required to give up part of their statutory pay increased while, again, contract employees paid for the same Federal budget remain untouched. The intent of my first bill is to eliminate the raw discrimination that allows the Government to seek sacrifices for civil servants because they are where we can see them but to give immunity to contract employees because they are out of sight.

Beyond the discrimination against career employees who are denied modest increases promised by statute, current contracting practices are fundamentally bad business. According to a March 1994 GAO report, issuing service contracts and hiring consultants actually costs Federal agencies more than using Federal employees. In 3 of the 9 cased analyzed by GAO, agencies could have saved over 50 percent by keeping the work in-house.

BUYOUTS

My second bill would plug a gaping hole in the landmark buyout legislation we have only just passed. Congress went to extraordinary lengths to ensure that civil servants who were bought out with cash could not be replaced and that the resulting 272,000 reductions in the Federal work force would be permanent. However, as it stands now, the buyout law would allow untold numbers of contract employees to take the places of bought-out Federal employees—substituting shadow government employees for career employees. My bill would amend the Federal Workforce Restructuring Act to prohibit agencies from contracting out work previously done by buyout recipients.

COST COMPARISONS

The reason most often touted for contracting out work is that it is cheaper. The March 1994 GAO study contradicts this assumption, and an OMB study released in January 1994 shows that the cost-saving assumption is often not even tested. Federal agencies do not compare the costs for contracting with the costs of doing work in-house. My third bill would require agencies to make these cost comparisons and would prohibit any agency from entering into an outside service contract if the services could be performed at a lower cost by agency employees.

SIZE OF CONTRACTING WORKFORCE

One of the chief obstacles to regulating the contracting workforce has been the absence of information on the extent of the workforce. In 1988, for example, Congress passed legislation requiring agencies to significantly cut service contracts. However, a subsequent GAO report found that there was no way to know if the agencies had actually complied with the legislation. My fourth bill requires OMB to develop a Government-wide system for determining and reporting the number of nonfederal employees engaged in service contracts.

All four of these bills would provide more systematic ways for monitoring and constraining the expenses associated with contracting out of services—just as we have insisted for Federal agencies and employees. Efficiency and deficit reduction must not stop at the door of the Federal agency. We need to bring the shadow government into the full light of day so that the sacrifices demanded in the name of reinventing Government may be shared by all employees and by every area of Government.

SUMMARIES OF SERVICE CONTRACTING BILLS INTRODUCED BY CONGRESSWOMAN ELEANOR HOLMES NORTON

1. The first bill cuts $2 billion in Federal agency funds for service contracts and makes this money available for pay raises that are due Federal employees next year. Federal employees are again being required to give up part of their statutory pay increases while, again, contract employees paid from the same Federal budget remain untouched. The intent of this bill is to eliminate this inexplicable discrimination.

2. The second bill amends section 5(g) of the Federal Workforce Restructuring Act of 1994, (Public Law 103–226) to prohibit an agency authorized to offer voluntary separation incentive payments under that Act from contracting out, in whole or in part, the duties previously performed by an employee who separated upon receiving such a payment. This is to ensure that no substitution of shadow government employees for career employees occurs.

3. The third bill prohibits any Executive Branch agency from entering into a service contract if the services to be procured under the contract can be performed at a lower cost by employees of the agency. It requires agencies to perform cost comparisons (contractor cost v. in-house cost) when deciding whether to contract for a service. The requirement applies to contracts entered into after the date of enactment.

4. The fourth bill requires the Director of the Office of Management and Budget (OMB) to develop a government-wide system for determining the number of persons employed by non-Federal Government entities providing services under service contracts awarded by agencies in the Executive Branch of the Federal Government. It also requires OMB to submit an annual report to the Congress indicating the number of such persons providing services and the number with jobs comparable to those of career Federal employees providing services to agencies.

REPORT TO CONGRESS BY RICHARD H. STALLINGS, OFFICE OF NUCLEAR WASTE NEGOTIATOR

HON. BART GORDON

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 5, 1995

Mr. GORDON. Mr. Speaker, in 1987, Congress created the Office of the Nuclear Waste Negotiator as part of its amendments to the Nuclear Waste Policy Act of 1982. The goal of this office was to negotiate an agreement with a host site for the storage and disposal of spent nuclear fuel. Congressional action in 1994 terminated authority for the negotiator's office. Today, I am submitting for the RECORD, the last report to Congress by Richard H. Stallings, negotiator, of the Office of the Nuclear Waste Negotiator.

For the past 15 months Mr. Stallings and his staff have worked to help resolve our Nation's spent nuclear fuel storage and disposal problem. This office held numerous expert discussions which produced valuable scientific information on possible future uses of spent nuclear fuel. In addition, Mr. Stallings was instrumental in designing and improving the economic development opportunities of the Department of Energy's multipurpose canister [MPC] Program as an integral part of the interim storage facility. As a result of their efforts, I am confident that Congress will be better prepared to consider legislation concerning the management of spent nuclear fuel.

As negotiator, Mr. Stallings also demonstrated the ability for the Department of Energy to develop meaningful communications with potential host States and increased community awareness and understanding of the emotional issues surrounding nuclear fuel. While the authority of Office of the Nuclear Waste Negotiator ended before a host site was designated, I believe it is important for Congress to continue in these educational efforts and open dialog.

I would like to extend my sincere gratitude to Mr. Stallings for his work as nuclear waste negotiator. His findings and expertise are greatly appreciated and will prove invaluable as Congress moves forward with our Spent Nuclear Fuel Management Program for a permanent repository and temporary storage facility.

OFFICE OF THE
NUCLEAR WASTE NEGOTIATOR,
Washington, DC February 8, 1995.

The SPEAKER OF THE HOUSE,
U.S. House of Representatives
Washington, DC.

DEAR MR. SPEAKER: I am submitting the following as the last report to Congress by the Office of the Nuclear Waste Negotiator.

As a result of a legal cloud over our authority to continue operations, I terminated the mission of the Office on January 21, 1995. In closing the Office prior to completing its legislated mission, I leave with a sense of lost opportunity, although much was accomplished over my short fifteen month term. I hope that this report will encourage those who still believe in finding ways for the Federal government and the states to work together for solutions to challenging and controversial public policy issues.

When Congress created the Office of the Nuclear Waste Negotiator in 1987 as part of its amendments to the Nuclear Waster Policy Act of 1982, it recognized the possibility that the storage and disposal of the nation's civilian nuclear waste could be accomplished through cooperation. By giving the Office the authority to negotiate an agreement with a state of tribe, Congress was essentially saying to the states, ''Reliance on Federal supremacy may not be the only way that we as a nation should deal with this issue.'' Perhaps the legacy of this Office should be that we demonstrated that the Federal government can work cooperatively and constructively with the states on this issues, if we are only willing to put forth the effort.

THE OFFICE I ASSUMED IN NOVEMBER 1993

Upon confirmation by the Senate in November of 1993, I took charge of an Office that had been in operation since September of 1990. My predecessor had remained in Office until June of 1993, but with the change of Administrations following the 1992 election, the Office was in essentially a suspended operational status from November of 1992 until I was confirmed a year later. This is important for four reasons.

First, for an Office whose entire term is four years and five months, a year hiatus is a very long time. Second, the lost year was

an off-election year, which is when this particular Office, dealing with such a controversial issue, must make publicly recognizable progress if it is to make any progress at all. Third, one of the four tribes that was officially participating in the negotiated siting program when I took Office, the Mescalero Apache tribe in New Mexico, had become frustrated over that year with the lack of progress and funding and was looking to other opportunities. And fourth and perhaps most importantly, I found that with the passage of that year whatever hope the nuclear utility industry, the Department of Energy, and Congress had had for the mission of the Office of the Nuclear Waste Negotiator was gone. I received general support from these groups, but found their energies focussed more on either a legislated solution to temporary storage, abandonment of Federal away-from-reactor temporary storage altogether, or the development of a private interim storage facility on tribal lands.

With this as the backdrop I committed to making something happen. Congress was on the right track in creating this Office and it deserved the best chance it could get to be successful.

REINVENTING THE OFFICE

The siting program that I took over had relied on what I term a ''trash for cash'' approach. In return for hosting a waste storage facility, the state or tribe would be rewarded handsomely with payments and benefits that bore no necessary relationship to the facility. This approach presented me in November of 1993 with one frustrated tribe, and three tribes still willing to consider whatever program I came up with. There remained no viable non-tribal interests. I knew that to even enjoy the ''possibility'' of coming to an agreement and successfully siting a facility, perceptions had to change and the Office had to be essentially ''reinvented''.

I concluded that the reinvention needed to concentrate on two aspects of the mission, making sure that the potential hosts the Office worked with were inclusive of those that presented the best opportunities for siting, and developing a sufficiently defined presentation of facility and benefits to permit meaningful evaluation and consideration. Ultimate success would depend on whether the siting opportunity was considered by the localities where siting a temporary storage facility made practical sense, and whether the opportunity they considered was real and worthy of consideration.

NEW APPROACH TO POTENTIAL HOSTS

With respect to the potential hosts, I committed to continuing to work with the four tribes that were already in the program, while seeking to approach potential hosting opportunities that did not involve siting a facility on a ''green field'', green field being a site that had not previously experienced any environmental degradation. This resulted in efforts being directed at closed military bases and facilities and laboratories owned by the Department of Energy. I did not have the time to conduct a ''volunteer'' program. I do not think the voluntary approach to siting works for this type of an issue. I think you need to tell potential hosts that they are likely to be qualified, and ask for their consideration.

SEEKING TO CHANGE PERCEPTIONS

As to the presentation of facility and benefits, I knew that much work would need to be done, and I found that it wasn't until the fall of 1994 that I had a presentation with which I was comfortable.

In my confirmation I asserted my conclusion and firm belief that the transportation and storage of nuclear waste was safe. We have the technology and experience. This was a radical departure from my predecessor, who proposed to provide grant funding to potential hosts to allow them to determine for themselves whether transportation and storage was safe. I believed that as Negotiator, it was essential to take a clear stand in order to be able to interact with elected officials and the public with any credibility. Had I not been able to take that stand, I would not have taken the job.

Given that the handling and storage of spent fuel was safe, and recognizing that the perception of a storage facility as nothing more than a ''dump'' (to coin a popular media term), I wanted to know if it was possible for something to be done with the spent fuel as opposed to just storing it. For the next several months following my confirmation, I conducted an extensive evaluation of whether spent fuel had value. I held a roundtable discussion on February 10, 1994, with a dozen scientists who were working on projects utilizing spent fuel. The report that was issued after that roundtable documented that spent fuel has potential value that will almost certainly be realized at some time in the future. The projects that were perhaps the closest to being practical at this time were those involving food irradiation and ozone production, and of course this concept of value did not even consider the potential value associated with reprocessing.

My efforts to pursue this question were widely misinterpreted. This can best be summed up by my Deputy, Robert Mussler, being told by a utility executive upon hearing of this idea, ''Don't tell me spent fuel isn't waste!'' Rather than trying to somehow convert a temporary storage facility into an instant research park, I was trying to get others to think about spent fuel differently, by having the Office think about it differently. To my knowledge no one had ever proffered the idea that spent fuel might have value besides reprocessing, and I believe my willingness to address this possibility in a direct, public manner, changed the debate. I also believe that technology will advance and the day will come when the value of spent fuel is recognized.

DEVELOPING A CONCISE PRESENTATION

Having dealt in a fairly short period of time with the perception and approach to spent fuel, and its storage and management, I set out to put together a concise presentation that could be reasonably and fairly considered, evaluated, and pursued or rejected by elected officials.

This took more time than I had expected, but in the end it was worth it. Out of a facilitated workshop on March 23, 1994, came the idea that the Department of Energy's multipurpose canister (MPC) program may present an economic development opportunity that could be coupled with the temporary storage facility. We worked to develop the idea, and coordinated that development with the Director of the Office of Civilian Radioactive Waste Management at the Department of Energy. The MPC Program involves manufacturing and assembling Nuclear Regulatory Commission certified containers for the handling and dry storage of spent fuel. The program projects a need for 10,000 canisters, and is a 3 to 5 billion dollar project. By September 1994 we had focussed our efforts on refining the presentation of the economic development opportunities that the MPC program presented to a potential host. The overriding consideration in the development of this idea was that whatever part of the MPC program might go to a state, it must make sense. We were not proposing the creation of a heavy foundry industry in a state that did not already have one. In such states the focus would rather be on assembly and inspection.

Although the presentation contained a number of other elements to describe the facility and other associated benefits, I felt that the MPC element was the most important in conveying the message that this was a genuine opportunity worthy of consideration. As I noted earlier, this presentation was completed to my satisfaction in the fall of 1994.

CHANGING THE APPROACH TO FINANCIAL ASSISTANCE

Another aspect of the program that needed attention when I took Office was the way that financial assistance was provided to potential hosts to support their participation in the negotiated siting program. My predecessor has relied on grants administered by the Department of Energy, and at about the time I was confirmed, a major element of that grant program had been deleted by Congress. I decided that relying on the Department of Energy to provide financial assistance to potential hosts was not the best way to operate and concluded that what we really should do is to instead directly enter into cooperative agreements with those potential hosts. The cooperative agreement is a funding mechanism that anticipates interest and participation by both parties in the activities funded. This fit much better with the way I intended to interact with potential hosts. Since our budget did not provide for the funding of cooperative agreements, I approached the Director of the Office of Civilian Waste Management for help. The Director and I worked out the transfer of an initial $250,000 to the Office to fund cooperative agreements that I might enter into. This ended up working out very well, giving us the flexibility and responsiveness we needed to establish and maintain credible relationships.

With the cooperative agreement funding mechanism in place, and the development of the presentation that described the temporary storage facility and the associated economic development opportunities that the MPC program could bring with it, I had what I needed to begin direct discussions with those potential hosts where a temporary storage facility made practical sense. It was a presentation that used an overhead projector, and it was a very effective communication vehicle. Unfortunately, with the closing of the Office I was not able to give this presentation to all of those who I felt needed to hear it.

In this first part of the report I have discussed how I changed, or reinvented, the negotiated siting program. I am convinced that this was a viable program, open to consideration by many governors and state officials. In the second part of the report I will discuss the chronology of interactions with potential hosts. I will then conclude with a brief discussion of the circumstances of the closure of the Office.

PROGRESS WITH POTENTIAL HOSTS

As discussed earlier, I took over the Office with one frustrated tribe and three tribes that were at different points in the process of their consideration of hosting a storage facility. By the beginning of 1994, the Mescalero Apache tribe had redirected their efforts to working with a group of utilities to develop a private storage facility on their reservation. Adding to this tribe's concerns with the Federal negotiated siting program was the passage of a law that I discussed earlier that took away from the tribe the opportunity to receive 2.8 million dollars in grant monies to pursue the Federal project. My support for the deletion of this grant authority, based on concerns about the lack of specificity on how the funds were to be used, did not help my relations with the tribe. My Office had essentially no contact with the

tribe following their commitment to the private project. The private project was reject by the tribal membership in a referendum held last month.

The Tonkawa tribe in Oklahoma was in the process of concluding their initial consideration of the project when I took Office. Following one meeting with the tribal leadership, and prior to any opportunity to have any broader discussions with the tribal membership, the tribe rejected the project in a referendum on August 12, 1994.

The Fort McDermitt Paiute-Shoshone tribe in Oregon and Nevada decided in 1994 to defer active consideration of the project. Prior to this decision I was able to meet with the tribal leadership and visit the reservation. I was also able to meet with county officials in Humbolt County, Nevada, and Malheur County, Oregon, as well as participate in a community meeting in the town of McDermitt. Since the tribe's reservation straddled the state line, even though the site would be on the Oregon side of the reservation, the tribe was very active in including the two counties and the community in meetings, tours, and citizen advisory groups. The tribe's deferral in 1994 was due to the gubernatorial contest underway in Oregon. I should note that the tribe had their first meeting with a representative of the newly elected governor in January of 1995. Based on the meeting, the tribe is optimistic that the new governor will be receptive to discussing the merits of the project based on sound science, notwithstanding the closure of the Office.

The Skull Valley Goshute tribe in Utah continued to pursue the project aggressively right up to the closure of the Office. We completed a cooperative agreement with the tribe for $48,000 to support the development of a framework for negotiating an agreement for the tribe to host a storage facility on their reservation. The development of the framework was also to give each party an indication of whether we seemed to have the ability to work constructively together. Over the last half of 1994, in negotiating the cooperative agreement and the framework for future negotiations, I found that we indeed had the ability to communicate and work effectively together. I was optimistic about the prospects of entering into formal negotiations with the tribe.

At the time we began discussions to develop the cooperative agreement with the tribe, we notified the state and county that cooperative agreements were also to be made available to them if they wished to participate at this time. Within days of completing the cooperative agreement with the tribe, we signed cooperative agreements with Tooele County for $18,000, and the University of Utah for $25,000. The University was interested in conducting an analysis of the economic and transportation impacts of a storage facility on the reservation, and the County intended to use their money to have the University do the same type of analysis on a county basis.

In early December 1994, the Office sponsored a trip to the Idaho National Engineering Laboratory for all members of the tribe interested in seeing and learning about the storage of spent fuel. Approximately one-fifth of the tribal membership participated in the trip, and the response was very positive.

On the week the Office closed, I received a completed framework for negotiations signed by the tribal chairman. Had the Office not closed I would have signed the framework and the tribe and the Office would have then been in formal negotiations. I cannot say that this would have necessarily led to a completed agreement to be sent to Congress, but I do know that to have even reached this stage was unprecedented.

The work on the County analysis was stopped, but the University report, based on costs already incurred, is to be completed sometime later this month. I have directed that a copy of the report be sent to the Office of Civilian Radioactive Waste Management at the Department of Energy, with hopes that they may be able to use it in their future work.

In addition to working with the tribes that I inherited, I initiated contacts with the office in the Pentagon that manages base closures to determine if closed bases offered any siting opportunities. After providing them a list of criteria, we received a listing of possible base closures that might have the size and access needs of a storage facility. We pursued each of those leads and at the time of Office closure we were continuing to have discussions with the base closure committee for the Wurtsworth Air Force Base in Michigan. In the final analysis, much of the prior land use planning for the closed bases precluded consideration of the storage facility.

In pursuing the challenges of seeking to work directly with governors or their representatives, I employed what I would term quiet diplomacy. This is the way that I believe that Congress intended for the Negotiator to function and it is indeed the only way that meaningful communications outside of the public posturing imperatives can occur. It was very effective. A free flowing dialogue was, and I believe would have continued to be possible with many state executives. I can report that since the presentation discussed above was put together, I had established good lines of communications in three states, and I was in the process of working to expand that number. It is specifically this aspect of the program and my efforts in this area that leave me with the greatest sense of lost opportunity.

CONCLUSION

I have concluded that the management, storage, and disposal of nuclear waste presents one of the greatest challenges to the principles of federalism. I cannot say for certain that my efforts would have resulted in a state willingly accepting spent fuel storage, but I do know that the opportunity for meaningful discussions existed. What I can say for certain is that discussions I would have had with many governors would have resulted in a greater awareness and understanding of the controversial, emotional, and politically charged issues that surround spent fuel. This is a problem that is not going to go away. Unfortunately, this Office may have been the last chance to develop mutually agreeable solutions. With its demise we as a Nation are left with an unhealthy reliance on Federal supremacy at a time when mutual solutions to issues such as this are more important than ever.

TERMINATION OF MISSION-CLOSURE

The termination of the mission of the Office is occasioned by a legal cloud over our authority to continue operations. Congress had appropriated adequate funding for the full fiscal year, but there was a question raised in early January about the basis of authority for such continued operations. As part of my aggressive pursuit of the opportunity to complete my mission, I obtained the opinion of outside legal counsel on the question of the authority to continue operations of the Office until the end of this fiscal year. That outside legal opinion concluded that such authority existed.

This opinion was reviewed and concurred with by the General Counsel of the Office of Management and Budget. I am advised that the same conclusion was reached by the General Counsel of the General Services Administration. However, I was told that the Legal Counsel for the Department of Justice reached a contrary conclusion. Given the sensitive nature of the work underway, and the recognized urgency to make real progress this year, the resolution of these conflicting views would create significant obstacles and take time that I did not have. It thereby essentially negated any chance of my succeeding with the mission of the Office. As I said at the time I was confirmed by the Senate, I have no interest in keeping the Office open if there is little or no likelihood of success.

During the short period of orderly shutdown and closure of the Office I secured an audit of our financial records by an independent outside accounting firm. The report of that audit concluded that at closure all financial records and accounting practices were in order.

Over the past fifteen months I have had the good fortune of a dedicated, hard working, and highly competent staff. I'd like to take this opportunity to express my appreciation for the efforts of Michael Campilongo, Gary Catron, Maureen Conley, Henry Ebert, Martha Fitzsimmons, Brad Hoaglun, Tom Lien, Bob Liimatainen, Bob Mussler, Angie Neitzel, and Jennifer Stone.

I am very appreciative of having been asked by the President to serve in this Administration. It was an honor and a privilege to have had the opportunity to accept this challenging assignment.

Sincerely,

RICHARD H. STALLINGS,
Negotiator.

TRIBUTE TO MURIEL M. DOUGHERTY

HON. JIM SAXTON

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 5, 1995

Mr. SAXTON. Mr. Speaker, Monday, April 3, 1995, marked the first official day of long-deserved retirement for my associate and friend for many memorable years, Muriel M. Dougherty. After having worked with me for almost 22 years, most of them as a public servant, Muriel will now blissfully enjoy the fruits of a leisurely life, including the company of her 5 children and 13 grandchildren.

Muriel first worked with me as secretary in the real estate firm of Saxton, Imlay and Falconer, earning her real estate license along the way. In 1975 when I began my political career as a New Jersey State Assemblyman, Muriel became my legislative assistant, working diligently in her new position, as always.

After 6 years, she moved with me to the New Jersey Senate. Because Muriel is a completely trustworthy, competent, and people-oriented individual, I was always able to concentrate on my legislative duties in Trenton, while leaving the administrative responsibilities to her.

In 1984, when the opportunity arose for me to run for a seat in the U.S. House of Representatives, Muriel was the first to say in her usual enthusiastic way, ''Go for it!'' During those hectic days, she would take care of just about anything that needed to be done, always competently and with a smile; and would often use her free time to help with campaign activities.

Upon taking my seat in the House on November 9, 1984, Muriel became office Manager for my Mount Holly district office, where

she has served faithfully and tirelessly for over a decade.

During our many good years together, Muriel has served not only as my employee, but also as a trusted friend, always willing to go the extra mile to help her boss with whatever needed to be done. From knowing the proper way to address the President to soothing unhappy or angry constituents, she always knew the proper way to do things. Her sensitive and able assistance to the numerous constituents in my district has always made my job much easier.

And, as a friend to her co-workers, who looked at her as a teacher, she has won praise and admiration for always handling things just right.

I, as well as my entire staff, will very much miss Muriel's calm demeanor and gracious manner. Her legacy of excellence will be felt in my office for a long time to come. One thing for sure is Muriel will rarely be found at home. She loves to travel and visit places of interest with her many friends. We wish her health and happiness in the years ahead. She truly deserves it.

OPERATION OF THE GRAND LAKE, CO, CEMETERY

HON. DAVID E. SKAGGS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 5, 1995

Mr. SKAGGS. Mr. Speaker, I am pleased to introduce today legislation that will authorize an important and unique management agreement between the National Park Service and the town of Grand Lake, CO. This agreement will grant to the town the permanent right and responsibility to manage its century-old cemetery that is now inside the boundary of Rocky Mountain National Park.

This bill, on which my colleague from Colorado, Mr. MCINNIS, joins as a cosponsor, matches legislation introduced earlier this month by our State's two Senators.

The cemetery legislation is based on extensive negotiations between town and national park officials, with both groups supporting it.

Under the agreement, the cemetery will remain inside the national park; no boundary adjustments will be made. Normally, such a situation would be handled through a park service special use permit, which must be renewed every 5 years. Such a short-term permit is not appropriate for a site like this one.

The area to be used and managed by the town is precisely defined and limited to avoid future disputes. The agreement reflects an important spirit of cooperation and good will between the town and the Federal Government.

I recommend this legislation to my colleagues in the House, and I urge swift action on it.

TRIBUTE TO JEFF KATZ

HON. DAN BURTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 5, 1995

Mr. BURTON of Indiana. Mr. Speaker, I would like to pay tribute to Jeff Katz, a radio talk-show host in my district. Jeff's wonderful insights blasted the Indianapolis-area airwaves during the evening drive-time slot on WIBC. Jeff's program played a very integral role in the recent Republican revolution. You see, Jeff is one of the gaggle of conservative talk-radio hosts who helped spread the word before last fall's telling elections. Their courage and ability to bring moral, social, and political issues into the publics' eye had a very positive impact on helping the Republicans gain control of the Congress last November. Jeff continues his good work even today.

Jeff Katz has been a good friend of mine, and unlike some in the mainstream media, he covers issues fairly and honestly. Jeff is moving to the Sacramento, CA, area to another radio station. I wish him well and will miss him. While central Indiana is losing one of the finest talk-radio hosts in the country, the people of northern California will be gaining a very talented and capable radio personality. Jeff, thank you for all of your hard work, and best of luck.

H.R. 1386, THE CLINICAL LABORATORY ACT AMENDMENTS OF 1995

HON. BILL ARCHER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 5, 1995

Mr. ARCHER. Mr. Speaker, I am introducing H.R. 1386 to reduce the burdens on physicians who perform laboratory tests in their offices and thereby, improve patient care and reduce patient costs. The Clinical Laboratory Improvement Act of 1988 [CLIA] has greatly increased health care costs associated with laboratory testing. Some physicians have reported that compliance with CLIA regulations have more than doubled the cost of providing tests in their offices. In fact, the Health Care Financing Administration estimated in 1992 that CLIA would add between $1.2 billion and $2.1 billion annually to the cost of performing clinical laboratory tests in a physicians office.

The CLIA 1988 restrictions have caused thousands of physicians in their offices to discontinue all or some portion of essential clinical laboratory testing on site. This creates a barrier to patient compliance with diagnostic and treatment protocols and causing patient inconvenience. For example, for many tests a patient must be referred to an outside laboratory to have the specimen taken and tested. This poses a substantial hardship for many patients, most notably the elderly, the disabled and families who live in underserved areas. Oftentimes these patients cannot travel or find someone to taken them to these facilities. The result is that they do not obtain the necessary test which may interfere with their treatment.

I hope that my colleagues, on both sides of the aisle, will join me in supporting this legislation which will reduce health care costs and improve the ability of patients to receive appropriate laboratory tests conveniently and in a timely fashion.

AN HONEST DIALOG WITH MY CONSTITUENTS

HON. RODNEY P. FRELINGHUYSEN

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 5, 1995

Mr. FRELINGHUYSEN. Mr. Speaker, since the November election, there has been a lot of national attention on the U.S. House of Representatives, the Republican majority and the Contract With America.

During all of this, I have been honored to serve 3 months as a Representative in Congress. It has been a time of both great change and opportunity. More than 7,000 constituents have taken the time to write or call me, visit my office or attend one of my town meetings.

Having read each of their letters and listened to their concerns, I have learned that we share common goals—putting our Nation's fiscal house in order, and balancing the Federal budget, making Government more efficient and more accountable, and preserving programs that actually work, that serve the national interest and that take care of the most needy in our country.

Unlike a lot of the media commentary on the contract and the speechmaking in Washington, their letters have expressed these concerns in very real terms.

Families are worried about financing their children's college education but are also concerned about whether or not the future holds the same opportunities for their children that we enjoy.

The people who serve the needy in our communities worry about Federal aid cuts but also feel they could do more with the money if there were less Federal strings attached.

And, thousands of constituents just ask why the Federal Government cannot balance their budget like American families do. People just cannot comprehend, and quite frankly neither can I, a national debt of over $4.5 trillion and annual deficits of $200 billion.

Many people have offered imaginative and sensible ideas about how to address these concerns and I sense a real willingness to try new approaches, including doing more with less if it means making real strides on our budget problems. Most important, there is once concern that weighs on all of us—our children's future and whether or not we leave them debt-free or debt-burdened.

In the pass 3 months, many citizens feel that we in Washington have started the process of really listening, and taking real steps to address their concerns.

Whether we agree or disagree on the specifics, the direction is clear:

They want accountability. We changed the way Congress conducts business. We brought term limits to the House floor for the first vote ever. We required Congress to live by the same laws as everyone else. We opened all committee meetings to the public and press, and we limited chairmen to a term of 6 years, probably the single most effective way to dismantle the arrogance of power that characterized past Congresses.

They want us to make the tough choices. We passed the balanced budget amendment and the line-item veto. And, we passed a first installment of $17 billion in real spending reductions.

They want us to stop assuming that Washington knows best. We passed legislation eliminating unfunded mandates on the States and put a halt to Federal regulations and red tape while preserving national standards for health, safety and the environment.

They are willing to try new approaches. We are all frustrated that Washington-imposed programs to solve the crises of crime and welfare have not worked. So, we proposed giving our States and local communities the flexibility and the resources to try new approaches. And, we have not overlooked the fact that the Government programs are not a substitute for personal responsibility or community involvement.

In all, I have cast over 280 votes so far this Congress. I am told that not since 1933 has Congress been so active in voting on major issues. I weighed each vote individually and carefully and I know that there is still much room for improvement in many of our proposals as we work with the President and the Senate.

While we have made a lot of progress, the Congress faces more tough choices in the next 100 days as we lay out a plan to balance the budget by 2002.

The goal is clear—we must bring spending under control and allow all Americans to control more of their hard-earned money. It is the specific choices that will be tough and New Jersey will not be immune to them even as our delegation works to assure that we get our fair share.

I remember the tough choices I had to make working on the budget in Trenton. As I did then, I will continue to listen to all my constituents and pledge to do my share to make these tough decisions with the utmost of care and fairness.

I will do my best to explain our decisions, although I would forewarn that some media and political ''sound bytes'' often have more persuasive power than do the facts. We need an honest dialog with our constituents, and I welcome their ideas at all times.

RADIO VISION'S 15TH ANNUAL VOLUNTEER RECOGNITION DAY

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 5, 1995

Mr. GILMAN. Mr. Speaker, on May 6, 1995, Radio Vision, a service organization in my 20th District of New York which is staffed 100 percent by volunteers, will be celebrating it's 15th annual ''Volunteer Recognition Day.''

Radio Vision is a closed-circuit radio broadcasting service that provides news and information for the blind and sight impaired throughout 5 counties in the Hudson Valley region of New York. The volunteers who give of their time to provide the Radio Vision service free of charge to hundreds of sight-impaired persons is highly deserving of our gratitude and special recognition. Without Radio Vision, sight impaired people would have no access to the day-to-day information, especially regarding local events, that the rest of us all take for granted.

A sight impaired person's access to the media is limited to listening to radio and TV broadcasts that briefly outline national and world news stories. For a person that has difficulty holding or reading a newspaper, local news and happenings—such as the stores which are having sales, where new facilities have opened in the vicinity, and what our neighbors are accomplishing—is difficult to obtain. Without Radio Vision, a blind person has little or no access to information about his or her community.

Radio Vision provides a free closed-circuit radio to people who need help getting news. Over 100 volunteers read local news, topical literature, shopping hints and other vital information to the more than 400 blind, sight impaired or otherwise disabled Hudson Valley residents who subscribe to the Radio Vision service.

For the past 15 years, Daniel Hulse has done a superlative job as program director. In addition, Carol Cleveland has worked tirelessly to coordinate the volunteers who find time to aid disadvantaged members of their community.

Their voluntary hard work has enriched the lives of many of my constituents, and I am proud to honor them today.

TRIBUTE TO ERNIE PYLE

HON. STEPHEN E. BUYER

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 5, 1995

Mr. BUYER. Mr. Speaker, I rise today to commemorate the life of one of the most beloved Hoosiers of the 20th century on the 50th anniversary of his death. He was a man of strong character. unwavering dedication, and a common touch. Born in the American heartland, he became world famous by chronicling the struggles of countless ''G.I. Joes'' during World War II. his writing remains some of the most poignant and moving in the history of warfare. I speak, of course, of that most beloved war correspondent and friend of the common soldier, Ernie Pyle.

He was born in Dana, IN, on August 3, 1900. It could have been Anywhere, USA. An only child, he was a wiry, red-headed, shy boy raised on a farm. After a short stint in the Navy, he enrolled in journalism at Indiana University. Restless and eager to move on, he left school his senior year to pursue a career in writing. His early jobs included positions with the La Porte Herald Argus, the Scripps-Howard Daily News in Washington, DC, and the Evening World and the Evening Post in New York.

Ernie Pyle began his career as a syndicated columnist in 1935 when he took a 3 month sick leave from the Washington Daily News and toured the country by car with his wife, Geraldine Elizabeth Siebolds. Returning to Washington, he wrote numerous columns describing his experiences. His chatty style, which became his trademark, was popular with readers and the Scripps-Howard group created the post of roving correspondent for Pyle. In this position, he criss-crossed the continent 35 times gathering material for his columns.

Ernie Pyle's first experience with war came in 1939, when he was sent overseas to cover the outbreak of World War II. His early coverage of the Nazi bombing of London was so gripping that his dispatches were cabled back to Britain for readers there. Soon Pyle found himself accompanying military units to the various fronts that developed as the war progressed. It was here that Pyle developed his now famous love for the combat infantryman—the ''G.I. Joes'' of the U.S. Army. His coverage of the North African campaign, written in the folksy style that became his trademark, included the names and hometowns of the junior officers and men who actually did the fighting.

Known affectionately as ''the little guy,''—he weighed only 110 lbs—Pyle accompanied the soldiers through North Africa and into Sicily. His writing is best described by Pyle himself:

> I only know what we see from our worm's-eye view, and our segment of the picture consists only of tired and dirty soldiers who are alive and don't want to die; of long darkened convoys in the middle of the night; of shocked silent men wandering back down the hill from battle; of chow lines and atabrine tablets and foxholes and burning tanks and Arabs holding up eggs and the rustle of high-flown shells; of Jeeps and petrol dumps and smelly bedding rolls and C-rations and cactus patches and blown bridges and dead mules and hospital tents and shirt collars greasy-black from months of wearing; and laughter, too, and anger and wine and loverly flowers and constant cussing. All these things it is composed of; and graves and graves and graves.

Exhausted, Pyle returned home following the invasion of Sicily, only to return to Europe in time to cover the Italian campaign, including the Anzio landing. Although sick with anemia, it was here that Pyle wrote his most famous column on the death of Capt. Henry T. Waskow of Belton, TX. He returned to England in April 1944 to await the invasion of Normandy. During this period, he received the Pulitzer Prize for his war correspondence. He continued his coverage of the European theater from the Normandy landings to the liberation of Paris. After 29 months overseas and 700,000 written words on the war, Pyle returned home once again.

His restlessness continued. Half-bald, grey and thin, Pyle declared himself a deserter, and decided to return to combat, this time in the Pacific. He landed with the 77th Infantry Division on Ie Shima in the Ryukyus on April 17, 1945. It was here that Pyle's luck ran out. After spending the night under fire, he started out for the front in a jeep on the morning of April 18. Caught in a machine gun ambush, he dove into a ditch for cover. He was killed minutes later by a Japanese sniper when he raised his head. On learning of his death, the Secretary of War stated that ''They like him because he talked their language. They trusted him because he reported them faithfully to the public at home.''

Originally buried where he fell, Pyle's body was later interred on Okinawa and finally at the National Memorial Cemetery of the Pacific, the Punchbowl Crater, Hawaii. But he was never forgotten in his home in Vermillion County. In 1975, Pyle's farmhouse was moved into Dana and became a museum. On April 18, 1995, 50 years after his death, two Quonset huts will be dedicated as additions to this museum to store his memorabilia. There can be no more fitting symbol to honor a man who covered America's finest in the farthest points of the globe.

Today we remember Ernie Pyle. Not for his Pulitzer, or his honorary degrees, but for his

common touch. We remember him because 50 years ago, in a world at war, he reminded us that it is people—regular, everyday people from places like Dana, IN—who love, and fight and die in war. It is for this reason that as long as we remember World War II, we will remember the chronicler of America's G.I. Joes—Ernie Pyle.

TRIBUTE TO THE MACOMB COUNTY INTERFAITH VOLUNTEER CAREGIVERS

HON. SANDER M. LEVIN

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 5, 1995

Mr. LEVIN. Mr. Speaker, I with to extend my congratulations to the volunteers and staff of the Macomb County Interfaith Volunteer Caregivers as they celebrate their first ever Volunteer Recognition Evening.

The Macomb Chapter of the Interfaith Volunteer Caregivers was established in 1993 to serve the older and physically challenged adults living in the community. These adults were struggling daily to maintain their independence. Interfaith discovered that a little extra help could make the difference between staying at home and moving into a nursing facility.

Macomb County Interfaith Volunteer Caregivers is an interdenominational network of local religious congregations joined together to respond to basic needs of those needing assistance. The program matches centrally trained volunteers of all ages with older and physically challenged adults to provide such services as housekeeping, home maintenance, shipping, transportation, and friendly visits. Because of the generosity and compassion of the program's 400 volunteers, the skilled management of Program Coordinator Karyn Dombrowski, and the strong commitment of the board of directors, the services are offered completely free of charge.

It is clear that faith and community involvement are key elements in the lives of all of the volunteers. Their sense of responsibility and concern for others have made the Macomb County Interfaith Volunteer Caregivers a truly remarkable organization.

My best wishes to all of the incredible volunteers on this special evening.

TRIBUTE TO ACCESS

HON. JOHN D. DINGELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 5, 1995

Mr. DINGELL. Mr. Speaker, I wish to take the opportunity to congratulate and call to the attention of my colleagues an organization in my congressional district dedicated to the well-being of a rich and vibrant community in Dearborn, MI. The name of the organization is ACCESS, which has delivered immeasurable social service throughout its existence and is marking its success with the ACCESS annual banquet on April 8, 1995.

As a Member of Congress, it is a distinct please to serve what is commonly recognized as the largest community of Arab-Americans in the United States. Like every other person I represent in my congressional district, Arab-Americans are busy raising children, running their businesses, getting involved in local civic, cultural, and religious organizations, and trying to make the most of the American dream.

The executive director of ACCESS is Ismael Ahmed, an individual with whom I have worked to help secure support for health care, education, other support services for persons in need. During Ish's tenure, ACCESS has gone from a simple shop to a sophisticated organization. This parallels a renaissance in many neighborhoods in our Arab-American community, and tremendous growth in Arab contributions to the local, regional, and national economy.

Throughout our history, the American dream has represented the sum of our citizens' hopes, ambitions, and struggles to build a better life for ourselves and our children. Arab-Americans are only one more group of people who are successfully building their lives and planning better futures for their children. This success rests in part on the dedication of ACCESS to providing people with the means they need to overcome cultural and language barriers and become a part of our rich national fabric.

JIMMY STEWART MUSEUM TO OPEN IN INDIANA, PA

HON. JOHN P. MURTHA

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 5, 1995

Mr. MURTHA. Mr. Speaker, one of America's best-loved actors over the last 60 years is Jimmy Stewart. Recipient of the Academy Award for best actor for ''The Philadelphia Story'' in 1940, Jimmy Stewart appeared in more than 80 full-length feature films and numerous television specials. Who can forget his performances in such American film classics as ''It's a Wonderful Life'' and ''Mr. Smith Goes to Washington''?

Although Jimmy Stewart is best recognized for the many film roles he played, too many people forget the role he also played as a fighter pilot in World War II. Less than a year after winning the Academy Award, he was in training in the Army Air Force, and by 1943 he was in command of a squadron in Europe. He returned from World War II a veteran of over 20 combat missions, and he's one of the true American heroes that we honor in 1995, the 50th anniversary of the conclusion of World War II. When he returned from the war, he didn't immediately go to Hollywood; he did what thousands of American soldiers did, and went back to his hometown—in this case, Indiana, PA.

Indiana, PA, is the birthplace of Jimmy Stewart, and this western Pennsylvania town is justifiably proud of its native son. To celebrate his 87th birthday on May 20, the James M. Stewart Museum in Indiana will be dedicated. The town is planning a gala celebration, including a dinner, parade, and ribbon-cutting ceremony.

The James M. Stewart Museum is bound to be a favorite stop for movie buffs all over the United States. I'd like to salute the folks in Indiana, PA, who have worked tirelessly to put this museum together and make it a place which tells the Jimmy Stewart story. And most of all, I'd like to salute Jimmy Stewart, the actor who has brought us many hours of pleasure in his movie and television roles, the American hero who fought for his country, and the native son of western Pennsylvania who has never forgotten his hometown.

HONORING JOE ALEXANDER

HON. THOMAS M. DAVIS

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 5, 1995

Mr. DAVIS. Mr. Speaker, I rise today to pay tribute to one of Virginia's best known and most successful political leaders, who is retiring from public office after 32 years of service. Joseph Alexander, known as ''Metro Joe,'' or ''The Baron of Lee District,'' has announced he will not seek reelection to the Fairfax Board of Supervisors from Lee District. He is being honored by the Fairfax Chamber of Commerce at this annual turkey roast on April 22, 1995.

Joe grew up in Franconia, where his father, Milton Alexander, established the Franconia Hardware Store at 6124 Franconia Road. His mother, Celia, was the local post mistress at the Franconia Post Office, which was located in the same building with the hardware store.

Joe moved on to attend college at Virginia Tech, where he served with the Corps of Cadets all 4 years of his stay. He graduated in 1951 with a degree in business administration and a commission of second lieutenant in the Air Force. Joe continued at Tech in 1952, and pursued a degree in public administration. He was called to duty this time and went to flight training. He served in the Korean war as a first lieutenant until 1955.

After leaving the service, Joe returned to Fairfax County and joined his father in the family hardware business, and became active in the Springfield Chamber of Commerce, where he served as president from 1959 to 1961. Prior to his leadership role with the chamber, Joe met Davina Einbinder, a Washington, DC, native. In June of 1956, they married and moved into the Rose Hill area of Lee District, where they have continued to live to this day.

While serving in the Springfield Chamber and being active in the community as a local businessman, Joe became interested and concerned about the future of Fairfax County. Other area businesses were also concerned that there was no representation for the business community on the Board of Supervisors during 1960. They began to press Joe to run for the Lee District position on the board. Joe decided to enter the race in 1963. With the Franconia Hardware Store as his headquarters, Joe received a large amount of public support from the Springfield Chamber, local fire fighters, and a number of Lee District communities. His bid for the seat was successful, and in 1964 Joe was sworn in as a member of the Fairfax County Board of Supervisors.

Joe always showed a strong interest in transportation issues, and in 1971 he was appointed as an alternate member of the Metro board. He was instrumental in getting the citizens of Fairfax County to approve bonds to finance the regional Metro system. He became a principle voting member in 1973, and he further advanced the organization to serve as

chairman of the board four times: 1975, 1981, 1987, and 1993.

Some of the organizations that Joe helped organize as a County Board member were: the Economic Development Authority, the South East Fairfax Development Corporation, and he pushed the county to begin promoting tourism. Joe has always been one of the most stable business leaders on the Board of Supervisors.

He has always paid attention to local concerns, and as the Lee District Board member, he has personally been responsible for the completion of over at least 200 million dollars' worth of public projects in Lee District. Projects range from neighborhood improvements, parks, drainage protection, trails, street lights, intersection improvements, new roads and streets, conservation and environmental projects, the Huntington, Van Dorn, and Franconia-Springfield Metro stations, as well as a number of other projects that are too numerous to mention.

During all of this time, he was very active in the American Public Transit Association [APTA]. The association represents all of the transit systems in the United States and Canada. Joe was elected vice president of APTA in 1981, and was elected chairman of APTA in 1982. He served as chairman until 1984. Joe developed a tremendous amount of knowledge about transit operations around the country.

Because of his transit experience, Joe was asked to join Ernst & Young and help develop the National Transit Consulting Practice. Joe left Perpetual in 1987 to go to work for Ernst & Young. He spent the next 5 years developing the transit practice and working with transit systems in Los Angeles, Atlanta, Chicago, Miami, and many other cities. Joe left Ernst & Young in 1992 to create the Alexander Group, in order to pursue additional consulting opportunities.

He is presently serving as the APTA membership committee chairman, president of the Virginia Association of Transit Officials, a member of the Virginia Railway Express Operations Board, a member of the NVTC Board, and a member of the Metro Board.

Joe and his wife Davie have two daughters, Cathy and Cheri, both graduates of the Fairfax County school system. Davie presently serves as the executive director of the Mt. Vernon-Lee Chamber of Commerce.

Mr. Speaker, I know my colleagues join me in honoring Joe Alexander for his 32 years of public service and wish him and Davie continued success in the years ahead.

TRIBUTE TO OTIS BOWEN

HON. MEL HANCOCK

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 5, 1995

Mr. HANCOCK. Mr. Speaker, Dr. Otis Bowen is one of the finest people God ever put on Earth. Indiana is justifiably proud of him and John Krull has captured Doc's goodness beautifully in the following article:

BOWEN REFLECTS ON LIFE OF POLITICS

POPULAR FORMER GOVERNOR STILL HOLDS GREAT INFLUENCE

(By John Krull)

BREMEN, IN.—Otis Bowen singles out one photograph on his wall of memories.

It is near the edge of one of the walls of a long hallway. Almost every inch of space is covered with certificates and pictures—photos of Bowen when he was in the Indiana Legislature, when he was governor, when he was the secretary of Health and Human Services in Ronald Reagan's Cabinet.

The images on Bowen's walls are a fairly comprehensive photographic record of recent American political history. There are pictures of Bowen with many of the most powerful politicians of the past 30 years. Richard Nixon. Gerald Ford. Jimmy Carter. Reagan. George Bush. Dan Quayle. Richard Lugar. Robert Orr.

As he points to one photograph, though, the former small-town doctor reveals something of the political know-how that made him one of the most popular politicians in Indiana history.

The picture is of the staff at the Department of Health and Human Services. In it, former Surgeon General C. Everett Koop is seated near Bowen.

''Koop was kind of a character,'' says Bowen, 77. ''But Chick—that's what we called him—had great credibility with the media. So, whenever we had some idea we wanted to explore or try to get a fair hearing, we'd send Chick out to talk about it. It worked pretty well that way.''

That hidden-hand style of leadership was one of the qualities that made Dr. Otis Bowen such a formidable politician, says William J. Watt.

''One of Doc's supporters had a saying that sort of captured it,'' says Watt, who wrote a book about Bowen's years as governor after serving as one of his executive assistants.

''He said that Doc always let other people have his way. That was the way he operated. He could control things without letting other people know it.''

Watt attributes Bowen's success to several factors.

''Doc is very intelligent, but he has a greater sense of focus than a lot of intelligent people do. He had a very clear sense of what his priorities were. He knew what he wanted and he could be very determined in going after it. He would not quit or back off. And he could be very, very tough.''

So tough that for a long time Otis ''Doc'' Bowen—the pride of Bremen, Ind., a small town not far from South Bend—practically ruled the political arena in Indiana.

In 1972, he ran for governor against a popular former governor, Matthew Welsh, and won convincingly. In 1976, he trounced then-Secretary of State Larry Conrad to win reelection.

In 1980, a young member of the U.S. House of Representatives felt compelled to ask Bowen if he intended to run for the U.S. Senate that year. Only after Bowen said he wasn't interested did Dan Quayle feel it was safe to enter the race.

His shadow has proven to be so long that rising Hoosler Republicans still feel the need to seek out his counsel and blessing.

''They still come up here. In the last election, a fair member—David McIntosh, Sue Anne Gilroy and some others—came up to sit down and ask my advice. It was gratifying to know that they haven't forgotten me,'' Bowen says, and smiles.

''Up here'' is a converted barn on the outskirts of Bremen. It is a large, open house filled with memorabilia and souvenirs. Along the mantle atop the fireplace is a collection of ceramic elephants.

''Every time you speak at a Lincoln Day dinner, they given you an elephant. I've lost track of how many I have,'' he says.

It is the home Bowen built in the early 1970s with his first wife, Elizabeth, who died in 1981. They had been married for nearly 42 years at the time of her death.

She was the reason he did not run for the U.S. Senate.

''Her health was failing and she had to be my first priority,'' he says.

Later that year, he married an old friend, Rose Hochstetler. Because of his service in Washington, he only got to live in this house for a short time with her before she died in 1992.

He now shares the home with his third wife, the former Carol Mikesell.

He had known her for much of her life—even delivered her children. But they had lost touch during the years he was governor. She, too, had been married twice.

They became reacquainted at a political fund-raiser he held at his house in 1992. At the time, she was working at a bank in Warsaw.

Their courtship did not begin right away.

''It took me about a month or more to work up the nerve to call her,'' he says.

When he did, they went to dinner in Fort Wayne.

''We knew pretty quickly that it was going to be serious,'' says Carol, 52.

They were married two years ago in the living room of the house, right in front of the fireplace with all the elephants. It was a small ceremony with only family members present.

Bowen says Carol helped him recover a zest for living.

''I have to give Carol much of the credit for turning me around. She made all the difference,'' he says.

When he met her, he says, the loss of his second wife still was fresh. The deaths of his two wives have been the most difficult things in his life.

''The grief was just devastating. You have six or eight months when you can't eat or sleep or even think about much. You lose 25 or 30 pounds and you wonder if you can go on.'' he says, shaking his head.

''But then there comes a point when you get tired of feeling so bad. You realize that you have to go on living. It's hard, but you do it.''

He teases Carol about not being politically active.

''I don't even know is she voted for me,'' he laughs.

''Of course I did,'' she says, laughing too.

He and Carol now try to stay close to home. They work outside on their five acres of land. They journey into Bremen once a day. And they travel around the state, when Bowen delivers one of his many speeches, mostly about health-care issues.

Carol quit her job at the bank. Bowen says he's going to try to cut down on the number of speeches he makes. They plan to travel together some, but mostly they hope to enjoy their home and each other.

''This is a pretty good size bit of land, and we work on it ourselves, because we like that. And we want to spend the time together,'' he says.

Bowen says he doesn't know exactly why he was so popular with Indiana voters.

''Maybe it had to do with my medical training. You're taught as a doctor not to panic or act rashly in difficult situations,'' he says, and then he changes the subject.

His biographer and former aide William Watt sees it differently.

''With Doc Bowen, the public man and the private man were one and the same. There was a genuineness to the man people responded to,'' he says.

What's more, Watt says, Hoosiers remember the 1970s—the Bowen years—with fondness. Government and its problems seemed smaller and more approachable then.

Bowen recalls those days with affection, too.

''I miss the people contact,'' he says. ''As governor, you always were with people, working with them, getting things done. I miss that.''

He does not view his days at the Department of Health and Human Services with the same warmth he does his days at the Statehouse.

''I didn't enjoy my time in Washington as much. As governor, you could get things done. But in Washington you had more than 500 bosses in Congress to answer and bureaucrats to frustrate you. You never seemed to make contact with people,'' he says.

Still, there were people in Washington he respected.

''Gerald Ford was my favorite president, because he was just a good, down-to-earth man. He had common sense, and that's the most important thing.

Ford's successor in the White House, Jimmy Carter, also merits a spot in Bowen's affections.

''I don't think he was a very good president, but he is a fine man. He wanted to do the right things, but his management style undid him. But he is one of the nicest men you would ever want to meet,'' he says.

Closer to home, there are many people Bowen misses.

Again and again, as he points to people in the pictures, he has no say, ''he has since died'' or ''he passed on a few years ago.''

One person he mourns is one of his predecessors in the governor's chair and an occasional political adversary, Roger Branigin.

''He was a good man,'' Bowen says. ''He was likable, personable and very open. It wasn't hard getting in to see him when he was governor. In fact, it could be kind of hard getting out of the office, because it was so pleasant to pass time with him and he enjoyed people so much.''

Bowen says that some Indiana Republicans don't entirely accept the fact that he is retired.

''Some people have come up here to try to talk me into running for governor again,'' he says.

''I don't know if they were serious or if they were just trying to flatter me. I told them that I'd had my time at bat and it was time to let younger folks have their try.''

Watt says he's not surprised that some people would want Bowen to run for governor again.

''Doc made people feel comfortable. It wasn't his style to have public confrontations. He seemed to make things work, and people liked that,'' he says.

That style manifests itself even in the way Bowen assesses his own career.

''I've been fortunate. Sometimes I almost have to pinch myself,'' he says.

''I've been a governor and I've worked with presidents. But then you realize that people of power and prominence came to their positions through some quirk or accident of fate, and that basically they're no more intelligent than you are. When you realize that, you can just go about doing what you have to do. That's what I tried to do.''

HONORING THE CESAR CHAVEZ WRITING CONTEST AWARD WINNERS OF THE EAST SIDE UNION HIGH SCHOOL DISTRICT

HON. ZOE LOFGREN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 5, 1995

Ms. LOFGREN. Mr. Speaker, I rise today to recognize more of the winners of the first annual Cesar Chavez writing contest held by the East Side Union High School District in San Jose, CA. I had the great privilege of attending the award ceremony honoring the student winners on March 31, 1995, and would like to continue sharing the essays and poems written by the student award winners with my colleagues.

Yesterday, I began by sharing the essays and poems of the grand prize winners and three of the first place winners, and today I will share the five remaining first price entries, and the first three of eight second place winning entries. Tomorrow, I will share the remaining five essays and poems of the second place winners.

The first price winning essays and poems of Lisette Munoz of W.C. Overfelt High School, Ahmed Desai of Piedmont Hills High School, Brenda Reyes of Silver Creek High School, and Eulala Reynolds of Yerba Buena High School follow:

Lisette Munoz of W.C. Overfelt High School

CESAR CHAVEZ

To some he was a hero but he only saw himself as a man.
A man I believe put on this earth to help the disadvantage.
His struggle was not easy for he faced much prejudice.
An acquire prejudice brought upon be ignorance.
His people, he saw hunched over in the fields, sweat upon their brows, pain in their backs, hands blistered and skin darkened from the sun.
All eyes were wide open, everyone looked around but no one took stand.
Cesar Chavez felt something in his gut this was 'El Movimiento.'
He stood amid the mist of the pesticides and began to walk, and surprisingly, the people followed.
He then knew that all the people needed was a leader who was dedicated to his cause.
He fasted so that people would listen.
He pointed out the forgotten ones.
Babies deformed by the hands and inventions of man.
He did what he needed to go change would come about.
He did all this but his body couldn't withstand the battle.
He entered the souls of his followers, and his spirit became the agila on our flag, soaring to continue the unfinished struggle.

Ahmed Desai of Piedmont Hills High School.

DEDICATED TO A DEDICATOR

In a modern world dominated by models who are athletic superstars, rarely is society given the gift of a true hero. The late Cesar Estrada Chavez was and continues to be such a unique individual who deserves the title of ''genuine model.'' Chavez is an inspiration to many, and a teacher to all. There is much that he stood for, and even more that today's youth can learn from him.

A servant not to his own wants and desires, but rather to those of his community, Cesar Chavez reminds the young to put the needs of others before one's own. He utilized the tactics of civil disobedience and peaceful protests only to bring about change for the better and for society, and not for his personal gains or rewards. Armed with a strong dedication, yet a descendant of a poor background and minority ethnic group, Chavez proved that anyone, anywhere, with perseverance, can succeed and make a difference. Withstanding and conquering numerous obstacles, he neither gave up nor lost hope. He worked long and hard, rested little, and made nothing come between him and his goal. As a result of years of continuous struggles, Cesar Chavez achieved his goal and gained rights for farm laborers. Youths of today can see themselves in Chavez, as they prepare their future aspirations and discover ways to accomplish them. As a model, Cesar Chavez teaches youngsters that the best and only method for success is through dedication and persistence.

Cesar Chavez lives on as a leader to whom teens can relate and look up. He was human and knew his strengths and limits. He did not only talk about ideas, but took charge and did things to make them a reality. Chavez, even with his short stay on earth, proved that a lot can be done in and with so little. Moreover, he made the most of what he had and did not ask for more than whet he felt was deserved. The lifestyle that he led includes many lessons that can be beneficial to today's new generation. Let us reflect the past actions of Cesar Estrada Chavez, a great humanitarian. Feliz Cumpleaños, señor Chavez.

Maria Gonzalez of Santa Teresa High School.

BATTLE

He fought for what was right,
It didn't matter if it was
Day or night.
He fought for our race,
And battled face to face
With the dangers we find
When we are the alien race.
Latino, Hispanic, Chicano
Some of the names he was
Called.
Proud to be who he was,
And what he stood for,
Equality.
He was a leader urging us to
Fight.
A leader explaining our right's.
Our right's as people
Our right's for freedom
Our right to come to this
Country, fight the odds, and
Win.

Brenda Reyes of Silver Creek High School.

''WHO IS HE?''

The fields were his life.
Los files eran su vida.
The crops in the fields were his life.
Las cosechas que crecian en los files, eran su vida.
The people picking the crops in the fields, were his life.
La gente que cortaba la cosecha en los files, eran su vida.
The pesticides that fell upon the people, became his enemy.
Los insecticidas que caian sobre la gente en los files, se convirtieron en su enemigo.
They became his concern.
Ellos se hicieron su preocupacion.
His struggle.
Su batalla.
His fight.

Su pelea.
But no one cared.
Pero a nadie le importo.
''I will make a difference'' he said.
El dijo, ''Yo hare la diferencia.''
''I will bring justice'' he said.
El dijo, ''Yo traire justicia.''
''Something will be done!'' he said.
''Algo se hara!'' El dijo.
But no one listened.
Pero nadien escucho.
''No grapes'' he yells.
''Uvas no'' El grita.
Who is he mommy?'' a little girl asked.
''Quien es el mami?'' una nina pregunto.
''I do not know'' the mom answers.
''No lo se'' contesto la madre.
''One day I will be like him, mommy.'' the girl said.
''Un dia sere como el mami.'' dijo la nina.
''I will fight for what I believe, and I will be a leader.''
''Yo peleare por mis creancias y sere una lider.''
''Many will believe in me, and I will believe in myself too.''
''Muchos creran en mi, y yo crere en mi misma tambien.''
''Crowds will come to listen to my words of wisdom, and there will be those that will want to stop me.''
''Grupos bendran a oir mis palabras de sabiduria y habran unos que quedran interponer.''
''But no one will suceed.''
''Pero nadie lo hara posible.''
''I will organize my own march's, and those who believe in me will follow.''
''Yo organisare mis propias marchas, y esos que crean en mi, me sequiran.''
''The sore blistered feet will be my reward.''
''Los pies mayugados y ampollados, seran mi recompensa.''
''I will have hunger strikes, as he.''
''Yo trende guelgas de hambre, como el.''
''And the grumbling of my stomach, will be my reward.''
''Y los grunidos de mi estomago, seran mi recompensa.''
''I can't wait to grow up mommy.''
''No pudo esperar para crecer mami.''
''I want to be just like Cesar Chavez.''
''Quiero ser igualita que Cesar Chavez.''
''It can be done, huh mommy?''
''Si se puede, eh mami?''
''Yes honey, it can be done.'' The mom smiles.
''Si mija, si se puede.'' La mama sonrie.

Eulala Reynolds of Yerba Buena High School.

CESAR CHAVEZ

Raw, callous, sun, rain
Eternal work, labor, pain
Grief, hurt, no reward
Living land a sharpened sword
Struggle, family, one thing clear
Survival, essential, defeat near
Uprooted and adrift behold!
For this an endless story told!
What one voice and truth is heard?
A man with whom a piercing word?
Loud for absorbed by truckloads of women and men
Who flight for justice again, again
The power of nonviolence but yet a war
Lead by him to soothe the wound
The wound an open cut, a pool desolate, defeat, doom
The union ''La Causa'' it's birth not a breech
Gallo wine, grapes, lettuce beseech
For had ''La Causa'' slowly climbed it's way
The picket march exist today
Child labor put to ends
By well pronounced fighting friends
Cesar Chavez stood brave, tall
His lifelong dream, ''live for the cause!''
For now over is the war
Still the wound remains, a scar.

The second prize winning essays and poems of Lauren Droira of Andrew Hill High School, Eve Zuniga of Independence High School, and Troy Arevalo of James Lick High School follow:

Lauren Droira of Andrew Hill High School.

CESAR CHAVEZ'S TESTIMONY TO MODERN SOCIETY

A splendorous eagle soars through the boundless skies above on a quest to grasp the seemingly unattainable star.
Off in the horizon a muffled roar:
Come accompany us in accomplishing such a dream which appears so far.
Ferocious winds encompass the creature, through it valianty persists onward, an astonishing feature.
Cesar Chavez: a dauntless, intrepid warrior;
One who strived throughout his entire existence to eradicate the actual barrier.
Racism? Latino farmers impetuously toil throughout the day,
Hoping to be paid by the sun's final ray.
Injustice? Living conditions were quite squalor,
Personal wages as meager enough to leave a child's stomach hollow.
Such reasons fed the brewing red fire of descreation;
Protests, tumults, riots were born Mr. Chavez as the chieftain.
''SOCIAL JUSTICE!'' exclaimed the impoverished multitude,
And the truth was revealed bare and crude.
Now this great moment in time,
Has influenced the viewpoints of society's mind.
One can rationalize that such minorities stand beneath the human category, if you will,
Regardless of their customs, ethnic backgrounds, or skill.
Regressing to the era of John Locke and his corresponding theories,
One recalls the Natural Rights: the right to life, liberty, and property.
To whom was such theory directed towards?
Why the people of the world, of course!
Analyzing this statement, one can discover some significant aspects;
CORRECT! Humans possess rights to live independently, to survive, and to own, though obliged to comply with the present-time precepts.
For instance, this world can be pictured as a vast rainforest filled with thousands of different species,
Among such myriad of creatures exists humanity.
Each member must stand in one accord in order to endure
The process in maintaining freedom and composure.
Sacrificing every ounce of material obtained for his fellow agriculturers,
Including the faithful supporters,
Chavez eventually was depicted as a unique, symbolic figure for migrant worker's ethics,
Simultaneously promoting social justice.
Influentially, Chavez's devotion and dedication in transforming the ''old society'',
Has conclusively become our tenacity to continue striving for equality.
Yet beyond its effect on society's established regulations,
Chavez's perseverant character has modified even the most desperado of people into diligent beings possessing substantial aspirations.
During his amazing fulfillment,
Cesar Chavez's speaking contained moral relevance.
''The beauty of life is not what surrounds us, but the compassion and charity we have within our hearts.''
Human beings tend to rank others according to outer bearings,
Though interior values possess greater meanings.
Considerate, abased, and anxious,
Cesar Chavez could very well represent a golden sack of morals, so virtuous.
Similar to Dr. Martin Luther King and Ghandi,
Who both likewise elevated the social rights of their corresponding people utilizing a
manner of fiery resolution and obstinacy,
Cesar Chavez can be illustrated as the deliverer of his own compatriots,
The stalwart defender who blanched the obscure unrighteous spots.
In history such standard bearer that prominently
Exudes in determination to conquer the epitamy,
Specifically for his fellow workers and racial minorities,
Is highly commended in the present times,
And will be in the future minds.

Eva Zuniga of Independent School.

''CHARITY''

All to many times while I was young, I was asked who my hero was. I had never stopped to think about the importance of this question until recently. Throughout my education I was given research assignments that require me to learn the lives of many people. I knew that these people were important to many people and I thought what they done was great but, I never felt a touching emotion for these people. I asked many people including teachers and friends what makes a hero heroic? However, I never found an answer that was suitable to me. I decided to compose a search of my own on what a hero should be and I realize that the characteristics of a hero couldn't be found in an encyclopedia article nor in a definition in a dictionary. It was a feeling you feel in your heart. It's a definition you crate on your own to fit your personal beliefs.

After reading about the life of Cesar E. Chavez I finally felt gratitude for a man who has brought so much knowledge to the lives of many. Cesar was born into a family with little of their own and nothing to spare. He learned the ways of life from his work in the farming fields of California. With little education and a strong will in life Cesar grew to be a leader, a man who took action, someone who speaks up, a man who will fight until he wins or die trying. He helped his fellow farm workers by gathering people who believed that working in the fields where poisonous gases are sprayed and threaten the lives of men women and children. He rallied against every health problem, every underpaid and overworked individual farm worker. This wasn't a job for Chavez, it wasn't something he was paid to do. It was a what he believed and what he knew his people deserved.

Many times Chavez risked his life for the welfare of his people. He starved himself for long periods of time to express his strong beliefs and he sacrificed anything to bring his people to a better way of life.

Chavez fought for the dreams of thousands of people and their families. The time, the effort, and the courage that Cesar has shown us we should honor and respect. He has taught many lessons, fought many battles and he has left us with the knowledge to fight on.

Troy Arevalo of James Lick High School.

CESAR CHAVEZ

He struggled, with persistence, for the rights of the oppressed,
And in striving to bring about a change, he did not rest.

Despite the disheartening atmosphere in which he matured and grew,
Chavez became the type of leader only of which there are a few.
The needs of his people fell upon uncaring ears,
And through his fight for liberation, there fell many, many tears.
Although many Mexicans were helped by Cesar Chavez in bringing an end to their plight,
He emphasized that his crusade was for all people, it was not just a Mexican fight.
Chavez's organization of unions attracted many powerless people who would not confront the growers who proved to be formidable,
But to gain liberation, he was surely capable.
Because of his efforts in trying to help the California farm worker, his movement gained empathy from much of the nation,
But there was still prejudice from many, many people against the workers in the organization.
In order to form the union, Chavez went from door to door.
In the end, when the workers had gained their liberation, it did not matter that they were all poor.
After spending five years of his life for his people's liberation, Chavez finally succeeded,
But these rights were by far not easily gained, but greatly needed.

THE FIRST 100 DAYS

HON. MARTIN OLAV SABO

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 5, 1995

Mr. SABO. Mr. Speaker, I rise today to share my deep misgivings on the first 100 days of the 104th Congress, the first 100 days of Republican Party control, and the most grim 100 days I have served as a Member of the U.S. House of Representatives.

On September 27, 1994, the national Republican leadership, led by Congressman NEWT GINGRICH, proposed a Contract With America. They pitched it as a magic formula for everything that ails us. Eliminate crime. Reduce the deficit. Increase defense spending. Cut taxes on the rich. On April 7, 1995, the Republicans led by the new Speaker, NEWT GINGRICH, will celebrate their accomplishments.

But what are the true accomplishments of the Republican leadership? And who are the primary beneficiaries? The answer to these questions might surprise the average taxpayer.

The Republican Contract With America was advertised with great sounding slogans including: The ''Fiscal Responsibility Act,'' the ''Taking Back Our Streets Act,'' the ''Personal Responsibility Act,'' the ''Family Reinforcement Act,'' the ''American Dream Restoration Act,'' the ''National Security Revitalization Act,'' the ''Senior Citizens Fairness Act,'' the ''Job Creation and Wage Enhancement Act,'' the ''Common Sense Legal Reform Act,'' and the ''Citizen Legislature Act.''

As I reflect on these bill titles, it is hard to imagine how anyone could be against such straightforward proposals. However, hidden behind these clever and appealing names are very dangerous efforts to systematically employ a reverse-Robin-Hood scheme—to take from the most vulnerable in our society and give to the most affluent.

''JOB CREATION AND WAGE ENHANCEMENT'' OR CUTTING TAXES FOR THE RICH?

The Republican tax cut proposal, or the crown jewel of the contract, benefits mostly those at the upper end of the income scale. The capital gains tax cut is a boon to wealthy investors—with more than three-quarters of this tax cut going to people with incomes of more than $100,000. The child tax credit will be given to families with incomes of up to $250,000 a year. When taken together, these tax cuts are clearly skewed to the privileged few who already have the most wealth.

For example, consider two average families that decide to spend their tax savings on education. The family earning less than $75,000 a year would be able to pay for about three-quarters of the cost of books. Their tax break would be $432 a year. But the family earing more than $200,000 would be able to pay for all tuition and fees, books and supplies, room and board, transportation, and every other cost of a public college. Their tax break would be $11,266 a year.

On the whole, the wealthiest 10 percent of families get 47 percent of the benefits. The wealthiest 1 percent get 20 percent of the benefits of the tax cuts. That is simply not fair.

Even if you look only at the child tax credit, the trend is the same. The Republicans were careful to make the credit nonrefundable. This means that lower income families could not receive the full $500 per child tax credit because their tax burden is not high enough, but those earning up to $200,000 would get a full tax credit. A full 35 percent of American children will receive no benefit from the children's tax credit: Thirty-four percent because their family's income is too low and only 1 percent because their family income is too high. Further, by the year 2005 the so called childrens' tax credit will account for less than a quarter of the overall tax cuts.

At the same time, the Republican leadership has proclaimed that they would not bring up a tax bill until they could pay for it, but that is not what is happening here. They do eliminate and slash some very important Federal programs, but they still do not cut enough to pay for their extremely expensive tax cuts. In fact, the combined effect of their tax and spending cuts will increase the deficit by $12 billion in the year 2000.

Besides being misdirected and extremely expensive what are some of the offsets? Not surprisingly, they take money from programs designed to assist those with the least income.

''PERSONAL RESPONSIBILITY'' OR TURNING BACKS ON THOSE MOST IN NEED?

Recent action on welfare reform provides a particularly vivid display of the Republicans' attitude toward disadvantaged Americans. The new majority voted in favor of a rash attempt to reform welfare by dismantling the safety net that protects children and their families.

Virtually every American agrees that the current welfare system must be reformed. Most of us also have a clear vision of what a successful welfare system would accomplish: It would put people to work. Yet, the Republican plan overlooks this goal. Instead, it cuts finding for child care and weakens Federal support for job training programs. The Republican plan would actually make it more difficult for people to get jobs than it is under current law.

Unfortunately, the damage does not stop there. This legislation seeks to slash spending on programs that provides school lunches to hungry children and protect children from child abuse and neglect.

If we are to measure the success of welfare reform by its effectiveness in putting people to work and its capacity to protect children from the dangers of poverty, the Contact With America clearly fails.

''TAKING BACK OUR STREETS'' OR TAKING POLICE OFF THE STREETS?

The Republican crime bills take funds Congress designated last year for an additional 100,000 police on America's streets and crime prevention programs and reallocates it to build more prisons. If we can keep more cops on our streets and more kids out of trouble, we won't have to keep building more jails. It is naive to believe that we will solve America's crime problem by warehousing the criminal element in our society. We must reach out to the inner cities and other high crime areas with policies that help stop criminal activities before they begin. The Republican approach of building more prisons at the expense of police and prevention programs will never attack the true root of America's crime problems.

''COMMON SENSE LEGAL REFORMS'' OR LIMITING JUSTICE FOR THE COMMON PERSON?

Without a doubt, certain aspects of our Nation's legal system need to be changed. Too many lawsuits are being filed in America's courts. Unfortunately, many of the provisions found in the commonsense legal reform package don't make much sense. The contract tort reform legislation is an assault on the safety of the American people. If enacted, this legislation would result in more unsafe products, more injuries, and less compensation for those who are hurt because of corporate misconduct.

The bill's cap on punitive damages at three times the claimant's award for monetary losses—such as wages and medical bills—or $250,000, whichever is greater, removes the incentives corporations currently have to avoid developing and marketing unsafe products. While $250,000 may be enough to stop small mom and pop businesses from making unsafe products, Fortune 500 companies could simply incorporate the fine as a cost of doing business and sell dangerous goods. With such changes, would unsafe products such as the exploding Pinto become more common?

Not surprisingly, this legislation also discriminates against the most vulnerable members of our society. Under these same caps, a corporate CEO might be able to recover $1 million in punitive damages while an elderly couple living on Social Security would have their damages limited to $250,000. If this is commonsense legal reform, we need to redefine common sense.

''NATIONAL SECURITY RESTORATION'' OR THE GREAT DEFENSE BUILDUP CONTINUED?

The Republicans' defense build-up bill, passed by the House in February is a startlingly simple-minded measure that calls for restoring defense spending to the historic highs of the 1980's. In this post-cold-war era, we must be smarter than ever in spending our defense dollars. We cannot afford to be so foolish as to resurrect the old star wars missile defense program and finance other inefficient and unnecessary military programs.

On a positive note, with the help of a handful of Republicans, House Democrats were successful in rejecting provisions of the legislation that would have required the old star wars antimissile defense system program to be deployed at the earliest possible date.

However, should this measure become law it will hamper the President's ability to deploy U.S. troops in U.N. peacekeeping operations. As we have seen recently, United States leadership and participation in international peacekeeping missions, such as in Haiti, have produced positive results. While not all such operations are equally successful, this bill would put the United States in the position of acting alone or not at all in such humanitarian missions.

The Republicans' plan would also require that budget firewalls between defense and other domestic discretionary spending be restored, in order to prevent defense cuts from being used to pay for domestic programs. With the overblown rhetoric in Congress supporting a constitutional balanced budget amendment, it astounds me that the restoration of these budget firewalls is being contemplated. If we are to seriously attempt to balance the Federal budget, defense spending must also be on the table.

"BUSINESS INCENTIVES" OR DISMANTLING ENVIRONMENTAL AND WORKPLACE SAFEGUARDS?

The regulatory rollbacks and new entitlements proposed by my Republican colleagues would have disastrous consequences for our environment, The Federal budget, and our legal system. First and foremost, if passed by the House, this legislation would wreck havoc on the valuable environmental protection laws that we have enacted over the past 25 years. Laws that are proven successes, such as the Endangered Species Act, the Clean Water Act, and the Clean Air Act are all threatened in this bill.

The legislation also has the potential to explode the Federal deficit at a time when we are just beginning to bring it under control. The bill's takings provisions would require the Federal Government to compensate landowners when Federal actions affect their property values by 20 percent. The U.S. Constitution already protects private property rights. This proposal could create new liabilities costing the Federal Government billions of dollars. This new entitlement program is hardly in line with the downsizing of Government that the Republicans claim to support.

Finally, while the Republicans condemn excessive litigation in America today, this measure dramatically expands the scope of judicial review of Federal regulations, placing Federal courts in the unprecedented role of judging the scientific and economic merits of agency decisions. As past experience shows, this would clog America's courtrooms and give opponents of any new rule an ideal tool for creating gridlock in the regulatory process.

More bureaucracy, expanded Federal entitlement spending, additional work for already overburdened courts, and a rollback of protections for our health, safety, and environment are what America stands to reap from this crop of Republican regulatory reform proposals. While we must address the legitimate concerns of property owners, local governments, and industry, this is not the answer. We must find ways to increase regulatory efficiency and flexibility without compromising the environment or the health and safety of the American public. These challenges are daunting, but the stakes are too high for us to fail.

"CREATING A CITIZEN LEGISLATURE" OR LIMITING VOTER CHOICE?

The Republican proposal to impose term limits on Member of Congress failed to pass because it was simply antidemocratic. Placing a limit on terms of service assumes that the American people lack the common sense and ability to decide if they want their Representative or Senators to continue serving. Imposing such limits abridges the fundamental right of all Americans to freely choose who will represent them. If the voters feel that someone has been in office too long, they can remove his or her at the ballot box. The last several elections prove this point.

Term limits are an emotional response to the notion that incumbents in Congress have become entrenched. The facts show, however, that a permanent Congress, as critics like to call it, is a myth. During the Reagan Presidency, for example, 55 percent of the House turned over. In other words, less than a quarter of the Members who were serving in 1980 are still in office. In just the last two elections, a total of 45 percent—196 members—of the House turned over. Further, the average number of years of service in today's Senate is 10.2 years, 1 year less than the average for the 103d Congress. Also since 1980, the political party whose majority controls the Senate has changed parties three times.

The antidemocratic nature of arbitrary term-limitation proposals should be reason enough to reject them, but there are also other reasons. While some turnover is healthy—and significant turnover already takes place—we also need experienced leadership. In today's Congress, we deal with very complex issues, and we need experts in Congress to address them. A new Representative, even one who has significant government experience, does not arrive in Washington with a full understanding of complex issues such as the budget, military weapons systems, and Federal housing policy. In many cases, it takes years to learn an issue fully. No one would want to turn their business over to entirely new management every few years, and it is audacious for proponents of term limits to contend that Congress is the only workplace in America where experience is inherently had.

Increasing the turnover rate of Members of Congress would also increase the power of staff members, lobbyists, and bureaucrats. In a Congress perpetually filled with inexperienced Members, these unelected yet highly experienced people would replace our duly elected Representatives as the true powers in Congress. That would betray what the Framers of the Constitution envisioned when they created Congress—the people's branch of Government—as the first branch of Government.

"FISCAL RESPONSIBILITY" OR CONSTITUTIONAL COVER?

In another attempt to tinker with the institution rather than deal with the real problems at hand, the Republicans sought to pass a balanced budget amendment to the U.S. Constitution. The majority party tried to perpetuate the myth that a constitutional amendment will erase the deficit and end all of our budget woes. The balanced budget amendment, which passed this House, was an attempt to escape political responsibility for the deficit. The Constitution did not create our budget problems, and changing it will not solve them. The deficit is a problem created by politics, and one that must be solved by an exercise of political will.

The Constitution is our most valuable governing document and an expression of permanent policy. Amending it to deal with ever-changing economic conditions would be a grave mistake. In the words of Charles Schultze, a former Presidential economic advisor:

> No Constitutional amendment can be written to cover the budgetary exigencies of the future. If interpreted literally, the amendment could lead to radically inappropriate budget decisions. . . . If interpreted loosely, the amendment would lead to a sharp deterioration in the quality of . . . governmental process generally.

As Members of the Senate defeated the amendment, they acknowledged that those of us who were elected must take responsibility for eliminating the deficit. Our job is to make these tough budget decisions—not simply to hope vainly that some constitutional machination will do the work for us.

In addition to their gimmick for a constitutional budget fix, my Republican colleagues want to shift more control to the White House by giving the President a line-item veto. This proposal also represents tinkering with our constitutional balance of powers. A measure such as this allows the President to substitute his or her judgment for that of 535 Members of Congress who are elected to represent all regions and viewpoints in our diverse Nation. While this measure is touted as a weapon against unnecessary spending, the line-item veto could backfire and actually increase spending under a strong President, such as Ronald Reagan or Lyndon Johnson. Our interests are best served by the give and take of the legislative process, not by granting new legislative authority to the executive branch.

THE FIRST "100 DAYS"—HISTORIC?

As the Republicans talk about the first 100 days and their Contract With America, they will undoubtedly boast of how historic it was and how much was accomplished. It's true that much legislation was passed in the House, but I will argue that it has not been good for our country.

The Republican majority seeks to shake the Federal Government at its foundations. But to what end and at what harm to the lives of Americans? If the Republican answer to our society's most difficult problems is to dismantle the Federal Government rather than develop real solutions, then perhaps the first 100 days of the 104th Congress was indeed historic.

The Republicans who set the agenda for the first 100 days should be recognized for their general contempt for the most successful democratic government in the world. In their haste and ideological purity, they would tear down basic protections for our quality of life and the safety net for our society's most vulnerable individuals. We should also be aware of their disregard for the wisdom of our Founders and their zeal to rewrite the U.S. Constitution to accommodate their political goals.

Haste rarely produces positive results in the democratic process. The House Republican leadership has had its 100 days in the spotlight. We must now take stock of this assault, and return our focus to governing for the good of the American people.

TRIBUTE TO THE AMERICAN LEGION ROOSE-VANKER POST 286

HON. SANDER M. LEVIN

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 5, 1995

Mr. LEVIN. Mr. Speaker, I wish to extend congratulations to the Roose-Vanker Post 286, American Legion as it celebrates 75 years of service to the community with a celebration on April 23, 1995.

Post 286 was organized on April 20, 1920, received its charter 2 months later, and has been in continuous service to the community assisting veterans' and their families, and helping preserve our American heritage.

The Post is named after two men, Roose and Vanker, who were killed defending our Nation in France during World War I. Like them, most past and present members of the Post are of Belgian descent and reside in the metro-Detroit area. Members of the Post have admirably served our Nation in every conflict from World War I to the Persian Gulf.

I commend the members of the Roose-Vanker Post 286, American Legion, for 75 years of dedication to their fellow members and their community. I congratulate them on this joyous occasion with best wishes for continued success.

TRIBUTE TO STEPHANIE DAVIS

HON. PAT WILLIAMS

OF MONTANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 5, 1995

Mr. WILLIAMS. Mr. Speaker, today I'm proud to share with you and my colleagues a remarkable essay written by a talented young Montanan. This essay, authored by 17 year-old Stephanie Davis of Livingston, MT, was selected as our State's lone winner in the Veterans of Foreign Wars Voice of Democracy scriptwriting contest. Mr. Speaker, I wish to enter this prize-winning essay into the CONGRESSIONAL RECORD not only to celebrate Stephanie's important personal achievement, but to draw your and my colleague's attention to a young woman's sincere vision of what makes our country great.

''MY VISION FOR AMERICA''

The band played an off-key rendition of a favorite patriotic song, the crowd cheered wildly, and everything was dotted with red, white, and blue! As Old Glory passed by, a young girl put her hand across her heart, and her daddy, in his faded brown army uniform, removed his hat. People from all walks of life watched in silence. Some even had tears in their eyes as the national anthem rang out from a solo bugle.

Many people, one America! It is filled with millions of people working individually. . . diligently in pursuit of their own dreams. Yet, they somehow know that the total is more important than the sum of the parts. Their undying patriotism holds our society together, a large organization, strong and proud.

However, there is a segment of the American population that has forgotten what America truly means. It is our responsibility as citizens to inspire the 'love of country' which once filled this great land. My vision . . . anyone's vision of America's future begins by remembering the vision of the First Americans.

Over two hundred years ago a group of people had a vision. They saw a very large land, not measured by area, but by the generosity and dedication of its people. Their common dream of equality and justice was so strong that it led these people to turn against the only system they had ever known, and forge a new life, relying only on each other. Their undying perseverance became the American Dream. It is found in the wondering eyes of a child, in the drive for success of a college student and young professional, and in the reflective thoughts of a wizened adult.

The American Dream unites today's citizens with the first visionaries: George Washington, Thomas Jefferson, Thomas Paine, Molly Pitcher, and many others. The American Dream shines through in great men and women such as Woodrow Wilson, Janette Rankin, Neil Armstrong, and Sandra Day O'Connor. The American Dream has created and will continue to create an American Heritage that is uniquely our own.

That unique heritage has molded and shaped us into 250 million individual American citizens. Learning what that heritage is and who created it gives meaning and purpose to our lives. Our heritage is the first American's gift to us.

Unfortunately, too many people know little or nothing about our history. Preserving the American Dream begins at home. Parents and grandparents often tell the most fascinating stories about their lives and those of others. Taking the time to listen opens up a world of curiosity and knowledge. In school, we can continue the fascination by teaching history in new and different ways. I will always remember the story of Betsy Ross, because in the sixth grade, I gathered my friends together, and for fun we created a radio program from her story. (I played Betsy.)

Even when we reach adulthood we preserve the ideals of our heritage simply by fulfilling our responsibilities as American citizens: voting representing the public in office and out, serving on juries, and standing up for our rights. Attending Girls' State this summer taught me that one person can make a difference, but when we all work together we can start a revolution—Just remember 1776!

Preserving our heritage only takes a small effort from every person. In fact, just taking a few minutes each day to honor America is enough to keep us moving through the next 200 years!

''I have a dream * * *'', exclaimed civil rights leader Martin Luther King, Jr. Well, I also have a dream, that we will not forget what out ancestors fought and died for, that we will not forget the vision written in the Declaration of Independence, and that we will remember to continue striving for the American Dream—liberty, equality, and justice for all! Only then will we be able to walk in the footsteps of our forefathers and say, ''I AM AN AMERICAN!''

IN TRIBUTE TO MILT JACKSON

HON. JOHN CONYERS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 5, 1995

Mr. CONYERS. Mr. Speaker, I rise on behalf of the Congressional Black Caucus to bring to the attention of my colleagues the distinguished cultural achievements of Milt Jackson.

Milt Jackson was born in Detroit, MI, in 1923. Milt started playing the guitar when he was 7 and by the time he was in high school he was proficient in a number of instruments, including drums. He played in both the marching band and symphony orchestra.

As a young man in 1941, Milt Jackson heard Lionel Hampton at the Michigan State Fair and decided he wanted to play the vibraharp. Milt started playing with Clarence Ringo and the George E. Lee band. In 1942, he met Dizzy Gillespie. Through Dizzy, he got an opportunity to join Earl Hines' big band, with whom Gillespie was playing. Later, Milt was drafted and served in the Air Corps.

Milt returned to Detroit in 1944 and organized a group called ''The Four Sharps.'' The Four Sharps performed for about a year until Dizzy came to Detroit, sat in one night, and persuaded Milt to go to New York.

Explaining why Jackson has such a fine sense of rhythm, Gillespie once exclaimed, ''Why man he's sanctified!'' Ironically, like Gillespie, Milt had grown up in a sanctified church.

In 1952, he joined John Lewis, Percy Heath, and Kenny Clarke, all members of the Gillespie band, to form the modern Jazz Quartet, a group with a unique collective sound which, in the words of Whitney Balliett, ''recused jazz from the banality of the endless solo and the rigidity of conventional arrangements.''

Milt Jackson is the perennial winner of practically every popular poll taken by jazz fans and critics—he has gotten used to being described in superlatives. Because he has performed in so many contexts, both within and without the Modern Jazz Quartet, he is now among the five most recorded artists in jazz history.

Milt's unique sound on the vibraharp gave it an entirely new direction and style—distinct from the contributions of other players such as Red Norvo and Lionel Hampton. He also became one of the principal proponents of bebop almost from its inception, and was one of the fathers of modern jazz while working with the famous sextet which included Dizzy Gillespie, Charlie Parker, pianist Al Haig, bassist Ray Brown, and drummer Stan Levy.

Mr. Speaker, during the 100th Congress, the House passed a resolution I authored, House Concurrent Resolution 57, which declared jazz ''a rare and valuable national American treasure.'' On the occasion of the Detroit Symphony Orchestra's Tribute Concert to Milt Jackson on April 8, 1995, I am honored to call to the attention of the Members of the 104th Congress, a living testament of this national treasure, Milt Jackson.

TRIBUTE HONORING THE MARBLEHEAD, OHIO VOLUNTEER FIRE DEPARTMENT ON THE OCCASION OF THEIR CENTENNIAL YEAR

HON. PAUL E. GILLMOR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 5, 1995

Mr. GILLMOR. Mr. Speaker, it gives me great pleasure to rise today and pay tribute to an outstanding organization located in Ohio's Fifth Congressional District. This year, the Volunteer Fire Department of the Village of Marblehead, OH, celebrates it centennial.

The village of Marblehead is a community renowned for its civic pride and commitment to

service. Located along the shores of Lake Erie, it has been a favorite with tourists for decades. The department was created when the mayor appointed a committee to purchase three fire extinguishers to be placed at various locations throughout the village. It is still a volunteer department, but the equipment has grown from three extinguishers to three pumpers, a rescue truck, and three ambulances.

The present fire chief is Harold Zura, a 25-year fire department veteran, with two assistant chiefs, Jim Lucas and Russel Zura. Marblehead was the first fire department in Ottawa County to begin ambulance service and now has a full-time paramedic/firefighter and several emergency medical technicians, in addition to well-trained firefighters. Throughout its history there has never been a lack of enthusiasm or labor for its many services.

Anniversaries are a time to reflect upon a steadfast tradition of service. They are also a time to look toward new horizons. The fire department has made it its responsibility to serve those in need by keeping pace with the ever increasing challenges facing residents.

Mr. Speaker, it is obvious that the community and the members of the department have greatly benefited from the effort that was started in 1885. I ask my colleagues to join me today in recognizing the achievements of the Marblehead Fire Department and encourage its volunteers to continue to uphold what has become the standard for excellence in Ohio.

TRIBUTE TO FELICIANO ''NINO'' GIORDANO

HON. FRANK PALLONE, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 5, 1995

Mr. PALLONE. Mr. Speaker, on Thursday, April 13, 1995, a retirement dinner will be held for Mr. Feliciano ''Nino'' Giordano, the Deputy Director of the Research, Development and Engineering Center for the Army's Communications-Electronics Command [CECOM] at Fort Monmouth, NJ.

Mr. Speaker, it is a great honor to pay tribute to Nino Giordano, a man who truly epitomizes the American dream. A native of Italy, Mr. Giordano immigrated to the United States in 1956. He holds degrees from the Massachusetts Institute of Technology, Fairleigh Dickinson University and Northeastern University. Mr. Giordano has had a distinguished career with the Army, lending his technological expertise and leadership skills to the ongoing effort to keep our armed forces the best equipped and most technologically advanced in the world.

In his current capacity, Mr. Giordano is involved in managing the organization and has responsibility for directing strategic and operational planning for all technical programs to achieve the digitization of the battlefield. Prior to his current position, he was the Center's associate director, with responsibilities for electronic and signals warfare, night vision and reconnaissance, surveillance and target acquisition systems. Previously, he served as the Program Executive Officer, Strategic Information Systems, and directed the management of the Army's worldwide upgrade of strategic command and control capabilities. He also directed the acquisition, development, testing and fielding of Army and Defense Communications Agency communications and information systems on a worldwide basis.

Now, I know that some of this terminology sounds like a real mouthful, but what it boils down to is leadership on the cutting edge technology that makes U.S. forces the best in the world. The American people, and the world, had a chance to see that technology in action during Operation Desert Storm, when United States forces routed the Iraqi forces with stunning speed and effectiveness. While we rightly pay tribute to the heroic fighting men and women who made that victory over tyranny possible, we should remember the highly talented and dedicated civilian professionals whose technological breakthroughs give our soldiers, sailors and Air Force personnel the edge they need. People like Nino Giordano, working at top-notch facilities like CECOM at Fort Monmouth.

Mr. Speaker, it is a great honor to pay tribute to Nino Giordano, whose distinguished career has been dedicated to preserving and enhancing the national security of our country. Although most Americans are probably unaware of the breakthroughs that Mr. Giordano has worked for, we can all rest easier knowing that he has served his adopted country, and the cause of world peace and stability, so well.

CONGRATULATIONS TO MAX SCHENKLER ON HIS 90TH BIRTHDAY

HON. GARY L. ACKERMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 5, 1995

Mr. ACKERMAN. Mr. Speaker, I would like to ask my colleagues in the 104th Congress to join me in congratulating Max Schenkler on the occasion of his 90th birthday, on April 16, 1995. A decade after I extended my best wishes to Max on his 80th birthday, I am proud to again extend my regards in this same Chamber.

Mr. Speaker, Max Schenkler spent nearly 25 years as a pillar of the community in my home of Queens County. As a result, the entire neighborhood felt a sense of loss, when he and his wife Pearl relocated to Boca Raton, Florida, years ago. Max and Pearl had made everyone feel like a part of their family.

Max and Pearl Schenkler are special people, who are appreciated by everyone who has come to know them. Fortunately, in Queens, a great deal of people came to know them, through their generous contributions to their neighborhood and synagogue, through Max's many years as a teacher and educator, and through their loving service in community organizations. Every time then return to New York for a visit, the warm welcome they receive is a testament to how much they are missed.

Through his endeavors, Max gives himself to people in many ways. He spent 40 years sharing his talent, humor and insight with New York City school children. His enthusiasm for life and gift for sharing himself with others enabled him to form special bonds with his young charges. Max Schenkler was the type of teacher that students remembered for a lifetime. He has a way of showing students how to grow, and how to stretch their minds and imaginations to meet new challenges.

Mr. Speaker, Max had a distinguished career as both an educator, and as a principal of Public School 143, an elementary school in Queens. As a principal he inspired and trained scores of dedicated teachers leaving a legacy that will be felt for many generations. He is a man of varied interests and talents, one who throws himself into whatever he is doing—whether he is helping someone in need or in trouble, spending time with family or friends, or pursuing his most beloved pastime—doting on his children and grandchildren.

Max's professional and family life have been rich with success. His 90th birthday is a joyous occasion for his many friends and his beautiful family—his lovely wife Pearl, his loving daughter Carol Jacobson and her husband, Gil, and daughter, Debbie, and Max's son and my dear friend Michael, his wife Lillian and their children Lee and Allison. Max always gave his children the love and encouragement they need when the time came to make tough decisions or face new challenges.

Mr. Speaker, Max Schenkler is a beautiful man who has touched many lives. I would like to ask all of my colleagues in the U.S. House of Representatives to join with me now in wishing him a joyous 90th birthday. I wish him continued health and happiness, and look forward to again returning to this Chamber in 10 years, to congratulate Max Schenkler when he turns 100.

PROPOSED STUDENT LOAN CUTS HARMFUL TO AMERICA'S STUDENTS

HON. STENY H. HOYER

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 5, 1995

Mr. HOYER. Mr. Speaker, today I joined hundreds of college and university students from around the Washington metropolitan area in a rally against proposed cuts in student aid and loan programs. The average American family today simply cannot afford to send a child—much less two or three—to college without some form of student aid. That is why I believe that cutting student aid is penny-wise and pound foolish. The Republican tax cut bill wants to provide families with a $500 per child tax cut, while at the same time proposing that each student who receives student loans will pay, on the average, about $4,000 more in additional interest costs over the 10-year life of a loan.

At today's rally was a young graduate student from the University of Maryland. Mr. Dominic Perri spoke on behalf of the National Association of Graduate and Professional Students and spoke of the additional costs that he and thousands of graduate students across this country would be forced to pay under this Republican plan. Mr. Speaker, I am pleased to share with my colleagues the remarks of Mr. Perri and urge my colleagues to read his remarks and understand the severity of these potential student aid cuts.

REMARKS OF DOMINIC J PERRI, NATIONAL ASSOCIATION OF GRADUATE AND PROFESSIONAL STUDENTS

Good Afternoon, my name is Dominic Perri. I am a graduate student at the University of Maryland at College Park, and I want

to speak to you on behalf of the National Association of Graduate and Professional Students.

I want to talk to you about the effect the loss of the interest exemption and other proposed cuts would have on graduate and professional students. Lately opponents to student aid have made statements that trivialize the effect of these cuts.

One opponent of student aid here at the Capital claims that the loss of the interest exemption would cost students just $21 a month. ''So they won't be able to buy 2 CD's'' he told USA Today.

Now, in addition to knowing where he buys his CD's, I'd like to know where he got his numbers. You see, for the graduate student who takes out loans to get an M.A., the loss of the interest exemption means that the loan payments could increase as much as $110 a month. Or to put in terms our friend can understand, that's 11 CD's.

And just yesterday, another opponent of student aid claimed that the loss of the interest exemption would cost just . . . pennies a month.

Tell that to the graduate student who completes a Ph.D. and winds up with over $68,000 in loans. The loss of the interest exemption could cost this student an additional $33,000. That's an increase of over $400 in the monthly payments, . . . or 40,000 pennies.

So you see, while eliminating the interest exemption is a disaster for undergrads, its even worse for graduate students. Of course, the opponents of student aid have simply chosen to ignore the effects these cuts would have on more than a million graduate and professional students.

These cuts could drive many of these students right out of school. That's a loss that this country cannot afford.

This is because graduate programs prepare the nation's most highly skilled workforce, including faculty, business and industry leaders, social workers, physicians, ministers, researchers, and professionals.

Research conducted by graduate students contributes directly to economic growth. The University of California says that graduate student research drove the development of the biotechnology industry that today employs 80,000 Californians!!

In fact, studies show that U.S. economic production is directly related to government spending in higher education.

In the last week Governor Carlson of MN and Governor George Bush of Texas have both issued statements that ''quality graduate education is crucial to the global competitiveness of the United States.''

Graduate students are a valuable resource that the opponents of student aid seemed to have ignored. They have not taken calculated the devastating effect of their cuts on this nation's graduate and professional students. (Pause) But we have.

The National Association of Graduate and Professional Students warns you not to be deceived by those who would trivialize the effect of these cuts. These cuts are real, unwise, and undermine the very foundation of higher education.

TRIBUTE TO THE 1995 ITALIAN-AMERICANS OF THE YEAR

HON. SANDER M. LEVIN

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 5, 1995

Mr. LEVIN. Mr. Speaker, I wish to extend my congratulations to the 1995 Italian-Americans of the Year, as honored by the Italian Study Group of Troy, MI. Ed and Marlene Baker and Frank and Angela Penna are truly deserving of this prestigious honor.

Ed and Marlene Baker publish the oldest Italian-American newspaper in Michigan, the Italian Tribune, spanning 86 years and four generations of Italian-Americans. Together, they also publish the County Line, a community newspaper which covers Madison Heights, Troy, Warren, and Sterling Heights, and have a long list of accomplishments and many years of community involvement.

Frank and Angela Penna own Penna's of Sterling Banquet Hall, in Sterling Heights, and Penna's Restaurant in Warren. In addition to their business involvement, the Pennas are involved with many charity organizations, including the Muscular Dystrophy Association, the March of Dimes Foundation, and the St. Vincent and Sarah Fisher Center.

This honor is just one of many testimonies to Frank and Angela's, and Ed and Marlene's, success and dedication to their community. Again, my congratulations to them and to the Italian Study Group of Troy on this joyous occasion.

TRIBUTE TO THE GOVERNMENT PRINTING OFFICE

HON. JACK REED

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 6, 1995

Mr. REED. Mr. Speaker, it gives me great pleasure to rise today to pay tribute to the Government Printing Office [GPO] for its outstanding work on the GPO Access Network. For its efforts, the GPO has received the James Madison Award for 1995.

The Madison Awards are presented by the Coalition on Government Information to those individuals or organizations who enhance citizens' knowledge while championing the public's right to know. Previous winners of these awards include Vice President ALBERT GORE, Secretary of Energy Hazel O'Leary, and Representative HENRY WAXMAN. The GPO is certainly worthy of joining this list of well-known and respected officials.

The GPO has developed an access system which allows American citizens to obtain information including congressional bills, the CONGRESSIONAL RECORD, Federal Register, the U.S. Code, and more than 6,000 other files from 25 Federal agencies. Additionally, the network can be accessed at no charge from libraries that act as Federal depositories 24 hours a day.

As James Madison stated, ''a popular government without popular information, or the means of acquiring it, is but a prologue to a farce or a tragedy, or, perhaps both.'' Madison realized that a well-informed citizenry is the crucial ingredient for healthy debate. As all of my colleagues are aware, informed and spirited debate is the root of a healthy democracy. The GPO access network is a perfect example of how the new information ''super highway'' will heighten the level of public discourse.

In Rhode Island, the GPO has done an outstanding job of fulfilling Madison's vision of a politically aware and active citizenry. Because of the team effort of the GPO, Ocean State Free Net, and the Federal Depository libraries in the State, Rhode Islanders are now able to access all of the aforementioned information with their own home computers. Having such information available will enhance our citizens understanding of Government and their desire to participate in the democratic process. I am confident that continued cooperation between the Federal Government, State Agencies, and American citizens will yield rapid advancement into this new era of shared information.

Mr. Speaker, it gives me great pleasure to commend the outstanding achievement and continuing efforts of the Government Printing Office, and I would ask my colleagues to join me in saluting them.

TOBACCO HEALTH TAX AND AGRICULTURAL CONVERSION ACT OF 1995

HON. FORTNEY PETE STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 6, 1995

Mr. STARK. Mr. Speaker, today my colleague from Utah, Mr. HANSEN, and I are introducing the Tobacco Health Tax and Agricultural Conversion Act of 1995, a bill to increase the cigarette tax to $2 per pack and to increase taxes on other tobacco products.

We are joined in this by Mr. DURBIN, Mr. COYNE, Ms. PELOSI, Mr. LEWIS of Georgia, Mr. LIPINSKI, Mr. Moran, Mr. OBERSTAR, Mrs. COLLINS of Illinois, and Mr. EVANS, as original cosponsors.

The revenues raised by this bill would finance health education and medical research efforts, help fund the health care costs of our Nation's elderly, and assist tobacco workers and agricultural regions that may be adversely affected by an increase in the tobacco tax. But most importantly, this bill creates a powerful disincentive for Americans—particularly youngsters—from taking up smoking.

We all know of the scourge that tobacco brings to America's families. The American Cancer Society, the American Lung Association, and the American Heart Association have reported that ''tobacco is the single greatest cause of preventable death and disease.''

There are 419,000 deaths each and every year due to smoking. This equates to more than 1,100 Americans dying every day. Smoking-caused deaths exceed the number of deaths caused from alcohol, drug abuse, homicide, suicide, automobile and airplane accidents, and AIDS combined. Twenty-seven percent of all Americans who die between the ages of 35 and 64 die from tobacco-related disease.

The scores of lives lost to tobacco provide sufficient reason to take the action I call for in this legislation. But lives lost is not the only cost fo smoking. Tobacco-caused illnesses tax our health care system, requiring more than $50 billion per year in direct health care expenditures, including $22 billion borne by the Federal Government. Losses in productivity suck tens of billions more out of our economy.

But if there is an area where federal action can make a positive impact, it is with smoking. Tobacco is the single greatest cause of preventable death and disease—preventable! As proven by experiences in several States and in other countries, tobacco consumption—and the related costs—can be reduced. In my home State of California, through a modest

rise in the cigarette tax and a statewide education campaign, a substantial reduction in smoking among California's teenagers resulted. The National Academy of Sciences' Institute of Medicine, a well-respected independent scientific organization, concluded that—

If tobacco is made less affordable . . . consumption will tend to decline, especially among children and youth, whose smoking habits are not fully established. Therefore, policymakers have an effective means available to them—increasing the real price of tobacco by increasing excise taxes—to reduce the consumption of tobacco by youths and thereby to reduce the health toll of tobacco use in future years.

Most people who smoke today—about 90 percent—bagan smoking when they were kids. If the cost of a pack of cigarettes were raised to the equivalent of two Big Macs rather than the equivalent of just one today, youngsters might think twice before putting down the money for the cigarettes. And without continued waves of new smokers, the 400,000 Americans who die each year from smoking will not be replaced.

In order to prevent nicotine addiction in children and youth, the National Academy of Sciences recommends the following—

(1) Congress should enact a significant increase in the tobacco tax,

(2) All tobacco products should be taxed on an equivalent basis, and

(3) The real value of tobacco taxes should be maintained to account for inflation.

The Tobacco Health Tax and Agricultural Conversion Act of 1995, if enacted, would accomplish each of these steps.

In the past, concerns have been raised over the impact a tobacco tax hike would have on tobacco farmers. We believe this bill offers a solution, not a problem, for tobacco farmers.

U.S. tobacco farming has been declining for more than a decade. This has not been caused by increased tobacco taxes in the United States. This is not a result of reduced cigarette manufacturing in the United States. The decline in U.S. tobacco farmers, from 179,000 in 1993 to 137,000 today, is because U.S. cigarette manufacturers like Philip Morris and R.J. Reynolds have more than doubled their imports of less expensive foreign-grown tobacco over the past decade. Today, more than one-third of tobacco used in U.S.-manufactured cigarettes is imported. This trend is anticipated to continue, leaving U.S. tobacco farmers and their farming communities devastated.

The legislation we are introducing today would allocate 3 percent of the revenues raised to a Tobacco Conversion and Health Education Trust Fund. The purpose of this is to assist individuals and communities that today are reliant upon tobacco farming to convert to other crops and industries. These funds could be used to purchase tobacco allotments from farmers or to finance infrastructure construction and modernization for agricultural diversification. Affected communities would be able to use these funds to stimulate nontobacco related economic development. Under this legislation, literally hundreds of millions of dollars annually would become available to tobacco farmers and tobacco-growing regions.

A portion of moneys in the Tobacco Conversion and Health Education Trust Fund would be allocated to support health education efforts. Rather than rely solely on the increase in the price of cigarettes to educate American consumers of the true costs of cigarettes, the Secretary of the Department of Health and Human Services would conduct campaigns—building on efforts already underway in several States—to educate Americans on health risks, including the risks from tobacco use.

A larger portion of the funds raised would be used to fund expanded medical research efforts. A full 9 percent of the revenues raised, estimated at roughly $1.5 billion per year, would be placed in a newly created National Fund for Medical Research. These resources will augment the current effort underway at the National Institutes of Health and throughout the Nation to expand our understanding and ability to deal with complex medical problems. As we all know, only one-quarter of all worthwhile grant applications submitted to the NIH each year receive funding.

The remainder of the revenues raised by this legislation would be deposited into the Medicare Part A Hospital Insurance Trust Fund. The reason for this is simple. As stated by a former HHS Secretary who held responsibility for the Medicare program, ''Smoking is the single largest drain on the Medicare trust fund, poised to take $800 billion over the next 20 years.'' The revenues from this bill may not cover Medicare's full smoking-related costs, but this bill provides a good start.

In sum, this legislation is good for America—for America's youth, America's families, and the American economy. Lives will be saved, suffering from disease will be diminished, long-term health care costs will be reduced, diversification in farming communities will be supported, and revenues will be generated for the health care needs of our elders.

Mr. Speaker, we could continue for hours to cite reason upon reason to support this legislation. Some may want me to do so, merely to delay taking action. But at some point we must take action. We must decide that this is a necessary step and that it can no longer be delayed. We believe that the time is now. We urge our colleagues to support this legislation.

A summary of the bill follows—

SUMMARY OF ''THE TOBACCO HEALTH TAX AND AGRICULTURAL CONVERSION ACT OF 1995''

INCREASE IN TOBACCO EXCISE TAXES

This legislation would increase the excise tax on cigarettes by $1.76 per pack (from $.24 per pack to $2.00 per pack) and increase the excise taxes on other tobacco products.

The excise taxes would increase in future years by an amount equivalent to the rate of inflation.

This legislation would become effective after September 30, 1995.

USE OF REVENUES

Medicare Part A Trust Fund—88% of revenues—to strengthen the solvency of the Medicare Part A Hospital Insurance Trust Fund.

National Fund for Medical Research—9% of revenues—to augment the resources currently available to the National Institutes for Health for medical research.

Tobacco Conversion Account—1.5% of revenues—to assist individuals and communities that today are reliant upon tobacco farming to convert to other crops and industries.

Health Education Account—1.5% of revenues—to educate Americans on health risks, including tobacco use.

PINE PLAINS, NY, HOSE CO. AND RESCUE SQUAD CELEBRATE 100TH ANNIVERSARY

HON. GERALD B.H. SOLOMON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 6, 1995

Mr. SOLOMON. Mr. Speaker, I have always been partial to the charm and character of small towns and small town people. The town of Pine Plains, NY, is certainly no exception.

The traits which make me most fond of such communities is the undeniable camaraderie which exists among neighbors. Looking out for one another and the needs of the community make places like Pine Plains great places to live. The concept of community service is exemplified by the devoted service of the Pine Plains Hose Co. and Rescue Squad. For 100 years now, this organization has provided critical services for the citizens on a volunteer basis. As a former volunteer fireman myself, I understand, and appreciate, the commitment required to perform such vital public duties.

Mr. Speaker, it has become all to seldom that you see fellow citizens put themselves in harms way for the sake of another. While almost all things have changed over the years, thankfully for the residents of Pine Plains, the members of their fire department and rescue squad have selflessly performed their duty, without remiss, since the formation of this organization in 1895. From June 8, 1995 through June 10, 1995, the hose company will be hosting a celebration commemorating this milestone. Not only will this offer the residents of Pine Plains a chance to enjoy themselves at the planned festivities, including a parade, carnival and fireworks, but it will provide the perfect opportunity for them to extend their gratitude to this organization and its members.

Mr. Speaker, I have always been one to judge people by how much they give back to their community. On that scale, the members of the Pine Plains Hose Co. and Rescue Squad are great Americans. I am truly proud of this organization because it typifies the spirit of voluntarism which has been such a central part of American life. We would all do well to emulate the service of the men and women who comprise the Pine Plains Fire and Rescue Squads. To that end, it is with a sense of pride, Mr. Speaker, that I ask all members to join me in paying tribute to the Pine Plains Hose Co. and Rescue Squad on the occasion of their 100th anniversary.

LOVE STORY WITH A LONG HISTORY

HON. THOMAS J. MANTON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 6, 1995

Mr. MANTON. Mr. Speaker, I rise today to recognize Michael and Marion Duckworth Smith, a special couple who live in a unique place in my district. Within the boundaries of one of the most urban areas of our country, Marion and Michael live on the Riker Estate, the oldest New York City farmhouse still used as a residence.

Michael and Marion's relationship blossomed just as the residence has over the

years. The 341 year old residence was originally built by Abraham Riker, who was awarded at least 120 acres by Peter Stuyvesant in the area then known as Bowery Bay. Later, it was expanded by Abraham Lent, a grandson of Abraham Riker. The home has remained largely untouched by the growing metropolis around it because the cemetery in the property is protected by law.

A new chapter for the Riker Estate began in 1960 when Michael Smith, a frequent visitor to the house, noticed its quaintness, but also the necessity of restoring the site. The house was declared a landmark in 1966, the same year Michael moved in. He was able to purchase the property in 1975, though his restoration work was far from finished. In 1979, Michael and Marion shared their second date at the house and continue to share their love with each other and the Riker Estate to this day.

Mr. Speaker, the Smiths continue to devote themselves to projects on the property over the years, including building a gazebo behind the house to commemorate their wedding where they renewed their vows in 1993. The couple looks forward to living and taking care of each other, as well as the historical house they share together for many years to come.

Mr. Speaker, I know my colleagues join me in recognizing this special couple and the outstanding job they have done bringing back to life a home and a special part of New York City's past that will continue to thrive for years to come.

THE JANE VORHEES-ZIMMERLI MUSEUM GALA HONORING PHILLIP DENNIS CATE'S SILVER ANNIVERSARY AS DIRECTOR OF THE MUSEUM

HON. FRANK PALLONE, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 6, 1995

Mr. PALLONE. Mr. Speaker, on the afternoon of Saturday, April 29, 1995, a gala in New Brunswick, NJ, will celebrate Phillip Dennis Cate's 25 years as director of the Jane Vorhees-Zimmerli Museum.

Mr. Speaker, Phillip Dennis Cate deserves to be recognized for outstanding work in the field of museum studies. Mr. Cate attended Rutgers, the State University of New Jersey, graduating in 1967 as an art history major and as a Henry Rutgers scholar. Using his experience as director of the art gallery at Rutgers, Phillip Dennis Cate has been able to create one of the foremost collections of art within the State of New Jersey.

Under direction of Mr. Cate, the Jane Vorhees-Zimmerli Museum has been transformed from a well-kept local secret into a renowned museum that hosts a multitude of eclectric exhibits. Some of these exhibitions include French 19th century graphics, American and European art, children's literature, and the most recent addition of the Norton and Nancy Dodge collection of nonconformist art from the Soviet Union.

Phillip Dennis Cate seized on the opportunity to make the Jane Vorhees-Zimmerli Museum a prominent resource center for the art world. Without Mr. Cate's ambition and training, the Zimmerli would probably not have reached such a level of respect and admiration.

Mr. Speaker, it is a great honor for me to pay tribute to Mr. Phillip Dennis Cate, to look back on his accomplishments of the past 25 years and to look forward to the great work yet to come.

EAST HARTFORD HIGH SCHOOL CHOIR AND BAND

HON. BARBARA B. KENNELLY

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 6, 1995

Mrs. KENNELLY. Mr. Speaker, I rise today to honor an outstanding group of students from my district, the East Hartford High School Choir and Band. They have been selected to represent the State of Connecticut in the 50th anniversary commemoration of World War II to be held in Washington at the end of April.

Inspired by the leadership of choir director, Mr. Leo Sayles and band director, Mrs. Kathy Neri, these students have earned a statewide reputation for excellence. Soon the entire Nation will recognize them as one of the premier high school musical groups in the country.

As we commemorate the end of World War II, I am especially pleased that so many young people will participate in the Washington event. History has many lessons to teach us—it is important for the leaders of tomorrow to learn from the heroes of yesterday. East Hartford High's participation is important not only because it will add to the ceremony, but because it will leave a lasting impression on these students, their teachers, parents, and friends.

I salute the East Hartford High School Choir and Band. They will be excellent ambassadors for the State of Connecticut.

TRIBUTE TO BOB SLADE

HON. BART STUPAK

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 6, 1995

Mr. STUPAK. Mr. Speaker, I rise today to pay tribute to a good friend and an exemplary man, Bob Slade, who is retiring, after serving 18 years as a teacher in the Escanaba area public schools and 16 years as a representative for the Michigan Education Association in the central Upper Peninsula.

Bob Slade received a bachelor's degree from Northern Michigan University, a master's degree from the University of Pennsylvania, and did postgraduate work in labor law at the University of Michigan.

Bob Slade taught physics, physical science, math, and driver education at Escanaba area high school. During Bob's career as a teacher, he was twice awarded the Outstanding Teacher Award.

Always placing the needs of others before his own, Bob was rewarded for his dedicated and professional service by being recognized by the Escanaba City Council for assisting at the scene of an auto accident in which a youngster was seriously injured.

Bob was also honored by Mead Paper Corp. for serving on the original citizens committee which instituted the MEAD science essay contest for high school students in the areas of biology, chemistry, math, and physics.

He is strong when strength is needed, and possesses a sense of humor when things are too serious. Always dignified, he helps others before himself. He will be remembered by his friends and family for his good sense of humor and his interest in politics.

Mr. Speaker, it is not only my hope, but all Escanaba's, that Bob will continue to enjoy the fruits of his labor starting with his retirement party, April 8, 1995. A man of great character, his achievements and contributions remain unparalleled. We can never adequately express our gratitude for his tireless service. I would like to express my deep pride and admiration in having such a fine citizen in my district. A citizen that my wife and I can call our friend and our teacher. Congratulations Bob, and best wishes.

CONTRACT WITH AMERICA TAX RELIEF ACT OF 1995

SPEECH OF

HON. ELEANOR HOLMES NORTON

OF DISTRICT OF COLUMBIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 5, 1995

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 1215) to amend the Internal Revenue Code of 1986 to strengthen the American family and create jobs:

Ms. NORTON. Mr. Chairman, I urge defeat of this rule. Republicans have boasted that they have reformed the process. It is anti-reform to bypass a committee of jurisdiction. It is worse than that when you do so in order to take people's retirement in order to fund a tax cut.

The American public regards its retirement as sacred, and this House has treated Social Security as sacred. Well, this is these folks' Social Security. You have used the contract time and time again as a metaphor. This is the Federal workers' contract. You asked them and forced them to choose between two systems in 1986. They chose. It is irrevocable for them, but you want to change the rules for yourselves in a tax cut. That is wrong.

It is a tax cut nobody wants except Republicans in this body. How many times, how many ways do Americans have to say it? Deficit reduction, deficit reduction. It is bad enough to give a tax break to the rich; it is shameful to do it by taking money from the retirements of middle-income workers.

MEDICARE MENTAL HEALTH IMPROVEMENT ACT OF 1995

HON. FORTNEY PETE STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 6, 1995

Mr. STARK. Mr. Speaker, today I am introducing the Medicare Mental Health Improvement Act of 1995. This bill will improve the mental health services available to Medicare beneficiaries. It represents an urgently needed change in benefits to reflect contemporary methods of providing mental health care and prevent unnecessary hospitalizations.

The bill expands Medicare Part A and Part B mental health and substance abuse benefits to include a wider array of settings in which services may be delivered. It eliminates the current bias in the law toward delivering services in general hospitals. It permits services to be delivered in a variety of residential and community-based settings. Through use of residential and community-based services, costly inpatient hospitalization can be avoided. Services can be delivered in the setting most appropriate to the individual's needs.

In 1991, as a nation we spent approximately $58 billion for treatment of mental illness and another $17 billion for substance abuse disorders. Medicare expenditures in these areas for 1993 were estimated at $3.6 billion or 2.7 percent of Medicare's total spending. Over 80 percent of that cost was for inpatient hospitalization.

In addition to these direct medical costs there are also enormous social costs resulting from these disorders. It has been estimated that severe mental illness and substance abuse disorders cost $78 billion per year in lost productivity, lost earnings due to illness or premature death, and costs for criminal justice, welfare and family care giving.

Mental disorders affect about 22 percent of the adult population in a 1 year period; 2 to 3 percent of the population experience severe mental illness or substance abuse disorders. This population is very diverse. Some people experience problems of recent origin that never recur, given appropriate treatment. Others have severe problems that persist for a long period of time. Mental illness and substance abuse disorders include many different diagnoses, levels of disability and duration of disability. Therefore, the people affected have many different needs.

Diagnosis and treatment of mental illness and substance abuse have changed dramatically since the Medicare benefit was designed. No longer are treatment options limited to large public psychiatric hospitals. The great majority of people can be treated on an outpatient basis, recover quickly and return to productive lives. Even those who once would have been banished to the back wards of large institutions can now live successfully in the community.

In recent years, the range of settings for care has diversified and providers have become more specialized. Treatments are more numerous and more effective than ever before. Treatment for mental disorders is in many cases just as effective as treatment for many physical disorders. For many people, however, appropriate treatment is inaccessible because they lack adequate insurance coverage. Medicare benefits have not kept pace with advancements in the field of mental health.

This bill would permit Medicare to pay for a number of intensive community-based services. In addition to outpatient psychotherapy and partial hospitalization that are already covered, beneficiaries would also have access to psychiatric rehabilitation, ambulatory detoxification, in-home services day treatment for substance abuse and day treatment for children under age 19. In these programs, people can remain in their own homes while receiving services. These programs provide the structure and assistance that people need to function on a daily basis and return to productive lives.

They do so at a cost that is much less than inpatient hospitalization. For example, the National Institute for Mental Health in 1993 estimated that the cost of inpatient treatment for schizophrenia can run as high as $700 per day, including medication. The average daily cost of partial hospitalization in a community mental health center is only about $90 per day. When community-based services are provided, inpatient hospitalizations will be less frequent and stays will be shorter. In many cases hospitalizations will be prevented altogether.

This bill will also make care management available for those with severe mental illness or substance abuse disorders. People with severe disorders often need help managing many aspects of their lives. Case management assists people with severe disorders by making referrals to appropriate providers and monitoring the services received to make sure they are coordinated and meeting the beneficiaries' needs. Case managers can also help beneficiaries in areas such as obtaining a job, housing, or legal assistance. When services are coordinated through a case manager, the chances of successful treatment are improved.

For those who cannot be treated while living in their own homes, this bill will make several residential treatment alternatives available. These alternatives include residential detoxification centers, crisis residential programs, therapeutic family or group treatment homes and residential centers for substance abuse. Clinicians will no longer be limited to sending their patients to inpatient hospitals. Treatment can be provided in the specialized setting best suited to addressing the person's specific problem.

Inpatient hospitalization, of course, will remain an important avenue of treatment for some beneficiaries. Currently, the law contains a bias toward providing inpatient services in general hospitals. That bias results from the payment differences between psychiatric hospitals and general hospitals.

Right now in psychiatric hospitals, benefits may be paid for 190 days in a person's lifetime. This limit was established primarily in order to contain Federal costs. In fact, CBO estimates that only about 1.6 percent of Medicare enrollees hospitalized for mental disorders or substance abuse used more than 190 days of service over a 5-year period.

In general hospitals, benefits are available for 90 days in a benefit period and a person may have numerous benefit periods throughout his or her lifetime. This can result in people who have almost used up their 190 lifetime days in a psychiatric hospital being forced to receive services in a general hospital.

They are also shunted into nursing homes. A recent study found that, among nursing home residents who did not have a cognitive impairment, such as Alzheimer's disease, 13 percent exhibit mental disorders. While some general hospitals and nursing homes are up to this task, others are ill-equipped to meet the needs of people with severe mental illness or substance abuse problems.

Under the provisions of this bill, beneficiaries who need inpatient hospitalization can be admitted to the type of hospital that can best provide treatment for his or her needs. Inpatient hospitalizations would be covered for up to 60 days per year. The average length of hospital stay in 1992 for an adult was 16 days and for an adolescent was 24 days. The 60 day limit, therefore, would adequately cover inpatient hospitalization for the vast majority of Medicare beneficiaries, while still providing some modest cost containment. Restructuring the benefit in this manner will level the playing field for psychiatric and general hospitals.

The bill I am introducing today is an important step toward providing comprehensive coverage for mental health. Timely treatment in appropriate settings will lessen health costs in the long run. It will also lessen the social costs of crime, welfare, and lost productivity to society. This bill will assure that the mental health needs of Medicare beneficiaries are no longer ignored. I urge my colleagues to join me in support of this bill.

A summary of the bill follows:

IN GENERAL

The bill revises the current mental health benefits available under Medicare to de-emphasize inpatient hospitalization and to include an array of intensive residential and intensive community based services.

PART A PROVISIONS

The bill permits benefits to be paid for 60 days per year for inpatient hospital services furnished primarily for the diagnosis or treatment of mental illness or substance abuse. The benefit is the same in both psychiatric and general hospitals.

The following ''intensive residential services'' are covered for up to 120 days per year: Residential detoxification centers; crisis residential or mental illness treatment programs; therapeutic family or group treatment home; and residential centers for substance abuse.

Additional days to complete treatment in an intensive residential setting may be used from inpatient hospital days, as long as 15 days are retained for inpatient hospitalization. The cost of providing the additional days of service, however, could not exceed the actuarial value of days of inpatient services.

A facility must be legally authorized under State law to provide intensive residential services or be accredited by an accreditation organization approved by the Secretary in consultation with the State.

A facility must meet other requirements the Secretary may impose to assure quality of services.

Services must be furnished in accordance with standards established by the Secretary for management of the services.

Payment for intensive residential services would be the lesser of reasonable cost under 1816(v) or customary charges less the amount the provider may charge under 1866(a)(2)(A).

Inpatient hospitalization and intensive residential services would be subject to the same

deductibles and copayment as inpatient hospital services for physical disorders.

PART B PROVISIONS

Outpatient psychotherapy for children and the initial 5 outpatient visits for treatment of mental illness or substance abuse of an individual over age 18 have a 20-percent copayment. Subsequent therapy for adults would remain subject to the 50 percent copayment.

The following intensive community-based services are available for 90 days per year with a 20-percent copayment (except as noted below): Partial hospitalization; psychiatric rehabilitation; day treatment for substance abuse; day treatment under age 19; in home services; case management; and ambulatory detoxification.

Case management would be available with no copayment and for unlimited duration for ''an adult with serious mental illness, a child with a serious emotional disturbance, or an adult or child with a serious substance abuse disorder (as determined in accordance with criteria established by the Secretary).''

Day treatment for children under age 19 would be available for up to 180 days per year.

Additional days of service to complete treatment can be used from intensive residential days. The cost of providing the additional days of service, however, could not exceed the actuarial value of days of intensive residential services.

A non-physician mental health or substance abuse professional is permitted to supervise the individualized plan of treatment to the extent permitted under State law. A physician remains responsible for the establishment and periodic review of the plan of treatment.

Any program furnishing these services (whether facility-based or freestanding) must be legally authorized under State law or accredited by an accreditation organization approved by the Secretary in consultation with the State. They must meet standards established by the Secretary for the management of such services.

THE CATO INSTITUTE'S DRUG DECEPTION

HON. GERALD B.H. SOLOMON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 6, 1995

Mr. SOLOMON. Mr. Speaker, I would like to bring attention to the truth about proposed legalization-decriminalization policies. Members have recently heard from the CATO Institute announcing a policy forum questioning the usefulness of continuing ''the unwinnable war'' on drugs. This forum is clearly just a thinly-veiled attempt to legitimize CATO's own prolegalization position.

However, what CATO refuses to publicly acknowledge are the devastating results of legalization-decriminalization policy, as evidenced in the Netherlands, where such a policy has been in place since the early 1980's. The president of the Dutch National Committee on Drug Prevention, K.F. Gunning, M.D., reports that crime and drug use have skyrocketed since the implementation of legalization in the Netherlands. According to the Dutch Government, their legalization-decriminalization has resulted in: A 250-percent increase in drug use since 1993; a doubling of marijuana use by students since 1988; armed robberies up by 70 percent; shootings up by 40 percent; car thefts up by 60 percent.

The number of registered addicts in the Netherlands has risen 22 percent in the past 5 years, and there were 25,000 new addicts in 1993 alone. In addition, the number of organized crime groups in the Netherlands has increased from 3 in 1988 to 93 in 1993. For good reason, the American public has zero tolerance for legalization schemes.

Mr. Speaker, drug legalization has clearly been a disastrous mistake for the Netherlands. If organizations like CATO achieve their goals, drug legalization will worsen the crime and drug problem in America as well.

IN HONOR OF HERIBERTO QUINDE-OBANDO

HON. THOMAS J. MANTON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 6, 1995

Mr. MANTON. Mr. Speaker, I rise today to honor Mr. Heriberto Quinde-Obando, a gentleman I am proud to represent in the Seventh Congressional District of New York.

Mr. Speaker, on March 16, I had the pleasure of joining Mr. Quinde-Obando and members of his family in my Washington office to celebrate Mr. Quinde-Obando's 80th birthday.

Mr. Speaker, for more than half of his 80 years, Mr. Quinde-Obando has lived in Woodside, Queens, which is part of my District. Mr. Quinde-Obando began his life in Guayaquil, Ecuador in South America. He moved to New York City is 1948 where he started a new life and began his career as an electronics technician. Mr. Quinde-Obando is well known for his contributions to his community and involvement in a number of civic organizations. Mr. Quinde-Obando's achievements demonstrate the great success immigrants have had in this country and his selfless devotion to our community serves as a shining example for all of us to follow.

Mr. Quinde-Obando has been particularly involved in the New York Intercontinental Lions Club since 1982. At the New York Intercontinental Lions Club, Mr. Quinde-Obando has successfully held several executive positions including director, chairman for social events, chairman of the health fair, club secretary, third, second, and first vice president, and president. He was selected Lion of the Year in 1984 and has received many other honors from his fellow Lions over the years. Mr. Quinde-Obando become a member of Lions International in 1980.

In addition to his charitable work, Mr. Quinde-Obando is a recognized leader within the Hispanic American community in Queens, helping unite his fellow Hispanic American neighbors on many issues important to Queens. He served as the president of the Queens Hispanic Day Parade Committee in 1992 and was also a member of the Hispanic task force in 1990. As a member of the Hispanic task force, Mr. Quinde-Obando was instrumental in helping retain Federal funds for transportation, education, job training, and housing.

Mr. Quinde-Obando also has served on the Woodside senior citizens advisory board and is a member of St. Sebastian's Parish. Having met many members of the Quinde family, I know that Heriberto Quinde-Obando has also been a loving and dedicated husband, father, and grandfather.

Mr. Speaker, I know that my colleagues will join me in commending Heriberto Quinde-Obando for his outstanding service to his family, church, and community.

TRIBUTE TO DAVID B. CRABIEL

HON. FRANK PALLONE, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 6, 1995

Mr. PALLONE. Mr. Speaker, on Sunday, April 30, 1995, Mr. David B. Crabiel, director of New Jersey's Middlesex County's Board of Chosen Freeholders, will be presented the Hubert H. Humphrey Friend of Labor Award at the 4th annual Middlesex AFL–CIO awards and scholarship brunch.

Mr. Speaker, it is a great honor to pay tribute to David Crabiel, a dedicated family man who has, since he became the youngest member of the Milltown Rescue Squad at age 16, selflessly dedicated his adult life to public and community service. Having been in public service as an elected official in various positions since 1960, Mr. Crabiel has held himself to an exemplary standard of citizenry.

Entering public life as a councilman, in 1967 Mr. Crabiel was elected mayor of Milltown, a position in which he served for 11 years before being appointed to the Middlesex County Board of Chosen Freeholders. Elected a freeholder after his appointed term expired, Mr. Crabiel served on the board through 1991 and was reelected in 1993. Wielding a distinguished record of leadership and service, he has, unsurprisingly, risen to a leadership position on the board, where he currently serves as Freehold director.

While this record is impressive by itself, it tells only have the story. In addition to the public positions he has held, Mr. Crabiel has generously donated his talents to several different community causes. To cite just a few examples, he has served as honorary chairman of the Melvin H. Motolinsky Research Foundation, as a member of the board of directors of the Cerebral Palsy Association, and as honorary cochair of the Middlesex County Human Relations Commission.

Mr. Speaker, it is a great pleasure and honor for me to pay tribute to a man whose life has been dedicated to the betterment of his community and the service to others. Personifying altruism through public and community service, Mr. Crabiel has truly set a standard which members of all communities would do well to follow.

TRIBUTE TO BILL NYSTROM

HON. BARBARA B. KENNELLY

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 6, 1995

Mrs. KENNELLY. Mr. Speaker, I rise today to honor the memory of Mr. Bill Nystrom, who

passed away after a lifetime of service to his community, State and country.

A distinguished veteran, he served in Europe from the Siegfried Line to the meeting of the Russians, and earned a Silver Star for his efforts.

Mr. Nystrom, a distinguished member of American Legion Post 197, was an artist, writer and sculptor who enriched the community of Marlborough with his work. As a sign of his commitment to his community, he designed the Marlborough Town Hall Monument, the bicentennial emblem and the town seal.

Active in the American Legion and his church, he wrote both the post's and his church's newsletters, and for many years composed the details of their Memorial Day ceremony. It is very fitting that this year his memory will be honored at the Memorial Day ceremony—a day forever linked with his years of service.

During this year's ceremony, Mrs. Esther Nystrom will lay a wreath at the Marlborough Town Hall Monument in tribute to her late husband. As we honor those who served our Nation in the Armed Forces, it is fitting we remember one who served not only his country, but his community so well.

TRIBUTE TO JAMES C. CARR

HON. BART STUPAK

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 6, 1995

Mr. STUPAK. Mr. Speaker, I rise today to pay tribute to my friend and law enforcement colleague, James C. Carr, who in February of this year retired from his post as undersheriff for Leelanau County, in Michigan's First Congressional District. Undersheriff Carr had held his position for the last 10 years and retires with the admiration of all who have known him.

Our paths criss-crossed 17 years ago when Jim and I were members of the Michigan State Police, assigned to the State Capital Post No. 1616. I retired from the State Police in 1984 and left Jim to continue serving our citizens. A short time later Jim joined me in retirement, but as fate would have it, both of us went back to serving the citizens of the great State of Michigan.

Little did Jim know at the time of his retirement that he was destined to give 10 more years of his life to law enforcement and the people of Leelanau County. When Jim first retired, Sheriff Charles Johnson knew that Jim would be a perfect candidate for undersheriff and asked him to share his law enforcement professionalism and skills with the people of Leelanau County. As a result, Jim has been Sheriff Johnson's faithful undersheriff for the past 10 years.

The job of undersheriff is a difficult and challenging one. Jim, however, always handled it with ease. It is not for this reason, however, that I wish to pay tribute to him. Rather, it is because when one goes out on the street in Leelanau County, it becomes apparent how much admiration and respect Jim commands of the people which he served. It is easy to find people who are pleased to stop and tell stories about a positive encounter they had with Undersheriff Carr, about how Undersheriff Carr fixed a problem, about how he went about his job with a degree of professionalism and compassion that made his sheriff, the citizens of Leelanau County, and those of us who were privileged to serve him, or to be served by him, very proud. We are all proud that he is ''our cop.''

Jim has always been an avid sportsman. I hope that he will enter into retirement in search of that ''perfect buck'' or that ''perfect fish.'' If Jim pursues his hobbies the way he handled his professional life, I'm sure he'll find both. Thank you for your service Jim. We will all miss you, ''old friend.''

Thank you, Mr. Speaker.

FEDERAL WORKERS

SPEECH OF

HON. ELEANOR HOLMES NORTON

OF THE DISTRICT OF COLUMBIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 5, 1995

Ms. NORTON. Mr. Speaker, do you have to represent Federal workers in order to believe they ought to be treated just like other Americans?

Federal workers have lost $9.6 billion in pay and benefits over the last 5 years. Find me any other workers who have lost in that way. That was real money, cutting corners, often through stealth paybacks. Every year these people get a statutory pay cut. I cannot remember the last time that we gave Federal workers the statutory pay raise to which they are entitled. Now we want to steal from their retirement.

It is a brazen pay cut, because the contract they have is that they earn less in compensation in order to get more in retirement. It is a zero-sum gain and they are coming out more and more like zero.

What in the world is this doing in a tax cut bill? Because there is insult and injury here, to cut retirements for some in order to cut taxes for others. My dear colleagues, fairness should begin at home with the people who serve you as Federal workers.

Thursday, April 6, 1995

Daily Digest

HIGHLIGHTS

Senate agreed to Paperwork Reduction Act Conference Report.

Senate agreed to Emergency Supplemental Appropriations/Defense Conference Report.

Senate passed FEMA Supplemental Appropriations/Rescissions.

Senate

Chamber Action

Routine Proceedings, pages S5273–S5382

Measures Introduced: Twenty-seven bills and four resolutions were introduced, as follows: S. 684–710, S. Res. 106–108, and S.J. Res. 32. **(See next issue.)**

Measures Reported: Reports were made as follows:

S. 349, to reauthorize appropriations for the Navajo-Hopi Relocation Housing Program. (S. Rept. No. 104–29) **(See next issue.)**

Measures Passed:

FEMA Supplemental Appropriations/Rescissions: By a unanimous vote of 99 yeas (Vote No. 132), Senate passed H.R. 1158, making emergency supplemental appropriations for additional disaster assistance and making rescissions for the fiscal year ending September 30, 1995, after taking action on amendments proposed thereto, as follows:

Pages S5273, S5298–S5304, S5306–80

Adopted:

(1) Hatfield Amendment No. 420, in the nature of a substitute. **Pages S5273, S5378**

(2) By 96 yeas to 4 nays (Vote No. 128), Kennedy Amendment No. 448 (to Amendment No. 420), to express the sense of the Senate regarding tax avoidance by certain former citizens of the United States. **Pages S5306–22, S5366**

(3) Bumpers Amendment No. 567 (to Amendment No. 420), to make $10 million of nutrition services and administration funds for WIC to promote immunizations. **Page S5322**

(4) Gorton Amendment No. 569 (to Amendment No. 420), to delete a proposed $3 million rescission to the Fish and Wildlife Service in the Endangered Species Act. **Page S5324**

(5) Gorton Amendment No. 570 (to Amendment No. 420), to allow grazing permits, that expired in 1994 and in 1995 before the date of enactment and were not replaced due to National Environmental Policy Act requirements, to be reinstated or extended. **Pages S5324–25**

(6) Gorton Amendment No. 571 (to Amendment No. 420), to make a technical correction to clarify that funds proposed for rescission are from multiple prior year unobligated balances. **Page S5325**

(7) Gorton (for Murkowski) Amendment No. 572 (to Amendment No. 420), to rescind $150,000 of the appropriation for the Office of Aircraft Service of the Department of the Interior. **Page S5325**

(8) Gorton (for Stevens) Amendment No. 573 (to Amendment No. 420), regarding environmental impact statements relating to certain timber sales. **Page S5325**

(9) Hollings Amendment No. 574 (to Amendment No. 420), to restore funding for certain National Aeronautics and Space Administration and Department of Commerce technology programs. (By 43 yeas to 57 nays (Vote No. 129), Senate failed to table the amendment.) **Pages S5327–37**

(10) Gorton Amendment No. 576 (to Amendment No. 420), to restore funds proposed for rescission from the Weir Farm Historical Site, Connecticut, and from the Jefferson Expansion Memorial, Illinois, to be offset by rescission of funds from land acquisition for the Wayne National Forest, Ohio, and from the Highway Trust Fund, and to prohibit the purchase of lands in Washington County and Lawrence County, Ohio. **Page S5339**

Subsequently, the amendment was modified. **(See next issue.)**

(11) Dole/Daschle Amendment No. 577 (to Amendment No. 420), of a perfecting nature. **Pages S5345, S5374**

(12) Levin Amendment No. 578 (to Amendment No. 420), to restore funds to the National Sea

Grant's program on research to control and prevent the spread of aquatic non-indigenous species.

Pages S5347–48

Subsequently, the amendment was modified.

Page S5357

(13) Hatfield (for Byrd) Amendment No. 580, to restore funding for training and employment services of the Department of Labor. **Pages S5361–62**

(14) Hatfield Amendment No. 581, to restore funding for the Tucson, Federal building, U.S. Courthouse. **Pages S5361–62**

(15) Hatfield Amendment No. 582, to rescind certain funds made available for the Highway Trust Fund. **Pages S5361–62**

(16) Hatfield (for Lautenberg) Amendment No. 583, to restore funding for the purchase of buses and the construction of bus-related facilities as authorized under section 3 of the Federal Transit Act.

Pages S5361–62

(17) Hatfield (for Burns) Amendment No. 584, to provide a schedule of National Environmental Policy Act compliance for each National Forest System unit. **Pages S5361–62**

(18) Hatfield (for McCain) Amendment No. 585, to address issues of equity in rehiring former Federal employees. **Pages S5361–62**

(19) Hatfield (for Jeffords) Amendment No. 586, to restore funding for energy supply, research and development activities of the Department of Energy, and to further rescind certain funds made available for certain energy and water development programs of the Army Corps of Engineers. **Pages S5361–62**

(20) Hatfield (for Pell) Amendment No. 587, to provide continued funding for the National Center for Research in Vocational Education. **Pages S5361–62**

(21) Hatfield (for Kennedy) Amendment No. 588, to restore funding for certain higher education programs. **Pages S5361–62**

(22) Hatfield (for Akaka) Amendment No. 589, to restore certain funding for the demonstration partnership program which is administered by the Office of Community Services within the Administration for Children and Families. **Pages S5361–62**

(23) Hatfield (for Kempthorne) Amendment No. 590, to make an appropriation for the Advisory Commission on Intergovernmental Relations and to increase the rescission amount for diplomatic and consular programs. **Pages S5361–62**

(24) Hatfield (for Inouye) Amendment No. 591, to strike the provision that prohibits the application of the Davis-Bacon Act to any contract associated with the construction of facilities for the National Museum of the American Indian. **Pages S5361–62**

(25) Hatfield (for Wellstone) Amendment No. 592, to restore funding for program management activities of the Health Care Financing Administration. **Pages S5361–62**

Rejected:

Bryan (for Bumpers/Bryan) Amendment No. 461 (to Amendment No. 420), to eliminate funding for the market promotion program. (By 61 yeas to 37 nays (Vote No. 130), Senate tabled the amendment.)

Pages S5340–45

By 46 yeas to 53 nays (Vote No. 131), Harkin Amendment No. 579 (to Amendment No. 420), to restore funds for the Corporation for Public Broadcasting and the Senior Community Service Program, and rescind funds for the Board for International Broadcasting. **Pages S5348–61, S5358–61**

Withdrawn:

Daschle Amendment No. 445 (to Amendment No. 420), in the nature of a substitute.

Pages S5273, S5301, S5364–66

Dole (for Ashcroft) Amendment No. 446 (to Amendment No. 445), in the nature of a substitute. (The amendment fell when Amendment No. 445, listed above, was withdrawn.)

Pages S5273 (continued next issue).

D'Amato Amendment No. 427 (to Amendment No. 420), to require Congressional approval of aggregate annual assistance to any foreign entity using the Exchange Stabilization Fund established under section 5302 of title 31, United States Code, in an amount that exceeds $5 billion. **Pages S5273, S5346**

Murkowski/D'Amato Amendment No. 441 (to Amendment No. 427), of a perfecting nature. (The amendment fell when Amendment No. 427, listed above, was withdrawn.) **Pages S5273, S5338–39**

During consideration of this measure today, Senate took the following action:

By 56 yeas to 44 nays (Vote No. 127), three-fifths of those Senators duly chosen and sworn not having voted in the affirmative, Senate failed to close further debate on Hatfield Amendment No. 420, listed above. **Page S5303**

A second motion was entered to close further debate on Hatfield Amendment No. 420, listed above and, in accordance with the provisions of Rule XXII of the Standing Rules of the Senate, a vote on the cloture motion would occur on Saturday, April 8, 1994. **Page S5303**

Senate insisted on its amendment, requested a conference with the House thereon, and the Chair appointed the following conferees: Senators Hatfield, Stevens, Cochran, Specter, Domenici, Gramm, Bond, Gorton, McConnell, Mack, Burns, Shelby, Jeffords, Gregg, Bennett, Byrd, Inouye, Hollings, Johnston, Leahy, Bumpers, Lautenberg, Harkin, Mikulski, Reid, Kerrey, Kohl, and Murray. **Page S5380**

Adjournment Resolution: Senate agreed to H. Con. Res. 58, providing for an adjournment of the two Houses. **(See next issue.)**

District of Columbia Control Board: Senate passed H.R. 1345, to eliminate budget deficits and management inefficiencies in the government of the District of Columbia through the establishment of the District of Columbia Financial Responsibility and Management Assistance Authority, after agreeing to the following amendment proposed thereto: **(See next issue.)**

Adopted:

Thompson (for Cohen/Roth/Jeffords) Amendment No. 593, to make technical corrections. **(See next issue.)**

Authorizing Senate Testimony and Representation: Senate agreed to S. Res. 106, to authorize testimony by former Senate employee and representation by Senate Legal Counsel. **(See next issue.)**

Visit of Prime Minister Bhutto: Committee on Foreign Relations was discharged from further consideration of S. Res. 102, to express the sense of the Senate concerning Pakistan and the impending visit of Prime Minister Bhutto, and the resolution was then agreed to, after agreeing to the following amendment proposed thereto: **(See next issue.)**

Thompson (for Pressler) Amendment No. 594, of a technical nature. **(See next issue.)**

Sexual Crimes Against Children Prevention Act: Senate passed H.R. 1240, to combat crime by enhancing the penalties for certain sexual crimes against children, after agreeing to the following amendment proposed thereto: **(See next issue.)**

Thompson (for Grassley/Hatch) Amendment No. 595, in the nature of a substitute. **(See next issue.)**

Congratulating the University of Connecticut Women's Basketball Team: Senate agreed to S. Res. 107, to commend the Huskies of the University of Connecticut for capping a perfect season by winning the 1995 NCAA Women's Basketball Championship. **(See next issue.)**

National Atomic Veterans Day: Senate agreed to S. Res. 108, designating July 16, 1995, as ''National Atomic Veterans Day''. **(See next issue.)**

Paperwork Reduction Act—Conference Report: Senate agreed to the conference report on S. 244, to further the goals of the Paperwork Reduction Act to have Federal agencies become more responsible and publicly accountable for reducing the burden of Federal paperwork on the public. **Pages S5273–77**

Emergency Supplemental Appropriations/Defense—Conference Report: Senate agreed to the conference report on H.R. 889, making emergency supplemental appropriations and rescissions for the fiscal year ending September 30, 1995, clearing the measure for the President. **(See next issue.)**

Appointments:

Commission on Security and Cooperation in Europe: The Chair, on behalf of the Vice President, pursuant to Public Law 94–304, as amended by Public Law 99–7, appointed the following Senators to the Commission on Security and Cooperation in Europe: Senators Lautenberg, Reid, and Graham. **Page S5380**

Institute of American Indian and Alaska Native Culture and Arts Development: The Chair, on behalf of the President pro tempore, in accordance with Public Law 99–498, Section 1505(a)(1)(B)(ii), appointed Senator Inouye to the Board of Trustees of the Institute of American Indian and Alaska Native Culture and Arts Development. **Page S5380**

U.S. Holocaust Memorial Council: The Chair, on behalf of the President pro tempore, pursuant to Public Law 96–388, as amended by Public Law 97–84, appointed Senator Grassley to the United States Holocaust Memorial Council. **(See next issue.)**

U.S. Senate Caucus on International Narcotics Control: The Chair, on behalf of the Vice President, pursuant to the provisions of Public Law 99–93, as amended by Public Law 99–151, appointed Senator Grassley as a member and Chairman of the U.S. Senate Caucus on International Narcotics Control. **(See next issue.)**

Institute of American Indian and Alaska Native Culture and Arts Development: The Chair, on behalf of the President pro tempore, in accordance with Public Law 99–498, Section 1505(a)(1)(B)(ii), appointed Senator Domenici to the Board of Trustees of the Institute of American Indian and Alaska Native Culture and Arts Development. **(See next issue.)**

Messages From the President: Senate received the following messages from the President of the United States:

Transmitting the report of the National Endowment for the Arts for fiscal year 1993; referred to the Committee on Labor and Human Resources. (PM–41). **(See next issue.)**

Transmitting the report relative to the National Environmental Policy Act; referred to the Committee on Environment and Public Works. (PM–42). **(See next issue.)**

Nominations Confirmed: Senate confirmed the following nominations: Yerker Andersson, of Maryland, to be a Member of the National Council on Disability for a term expiring September 17, 1996.

Robert G. Breunig, of Arizona, to be a Member of the National Museum Services Board for a term expiring December 6, 1998. (Reappointment)

Kinshasha Holman Conwill, of New York, to be a Member of the National Museum Services Board for a term expiring December 6, 1997.

John A. Gannon, of Ohio, to be a Member of the National Council on Disability for a term expiring September 17, 1995. (Reappointment)

E. Gordon Gee, of Ohio, to be a Member of the Board of Trustees of the Harry S Truman Scholarship Foundation for a term expiring December 10, 1999.

Peggy Goldwater-Clay, of California, to be a Member of the Board of Trustees of the Barry Goldwater Scholarship and Excellence in Education Foundation for a term expiring June 5, 2000.

Sanford D. Greenberg, of the District of Columbia, to be a Member of the National Science Board, National Science Foundation, for a term expiring May 10, 2000.

Kenneth Byron Hipp, of Hawaii, to be a Member of the National Mediation Board for a term expiring July 1, 1997.

Charles Hummel, of Delaware, to be a Member of the National Museum Services Board for a term expiring December 6, 1999.

Ayse Manyas Kenmore, of Florida, to be a Member of the National Museum Services Board for the remainder of the term expiring December 6, 1995.

Jerome F. Kever, of Illinois, to be a member of the Railroad Retirement Board for a term expiring August 28, 1998. (Reappointment)

Nancy Marsiglia, of Louisiana, to be a Member of the National Museum Services Board for a term expiring December 6, 1998.

Marciene S. Mattleman, of Pennsylvania, to be a Member of the National Institute for Literacy Advisory Board for the remainder of the term expiring October 12, 1995.

Audrey L. McCrimon, of Illinois, to be a Member of the National Council on Disability for a term expiring September 17, 1997.

Eve L. Menger, of New York, to be a Member of the National Science Board, National Science Foundation, for a term expiring May 10, 2000.

Claudia Mitchell-Kernan, of California, to be a Member of the National Science Board, National Science Foundation, for a term expiring May 10, 2000.

Diana S. Natalicio, of Texas, to be a Member of the National Science Board, National Science Foundation, for a term expiring May 10, 2000.

Lilliam Rangel Pollo, of Florida, to be a Member of the National Council on Disability for a term expiring September 17, 1996.

Lieutenant General William W. Quinn, United States Army, Retired, of Maryland, to be a Member of the Board of Trustees of the Barry Goldwater Scholarship and Excellence in Education Foundation for a term expiring October 13, 1999. (Reappointment)

Debra Robinson, of Pennsylvania, to be a Member of the National Council on Disability for a term expiring September 17, 1997.

Arthur Rosenblatt, of New York, to be a Member of the National Museum Services Board for a term expiring December 6, 1997.

Lynda Hare Scribante, of Nebraska, to be a Member of the Board of Trustees of the Barry Goldwater Scholarship and Excellence in Education Foundation for a term expiring October 13, 1999.

Niranjan Shamalbhai Shah, of Illinois, to be a Member of the Board of Trustees of the Barry Goldwater Scholarship and Excellence in Education Foundation for a term expiring August 11, 1998.

Robert M. Solow, of Massachusetts, to be a Member of the National Science Board, National Science Foundation, for a term expiring May 10, 2000.

Joseph E. Stevens, Jr., of Missouri, to be a Member of the Board of Trustees of the Harry S Truman Scholarship Foundation for a term expiring December 10, 1997.

Ruth Y. Tamura, of Hawaii, to be a Member of the National Museum Services Board for a term expiring December 6, 1996.

Warren M. Washington, of Colorado, to be a Member of the National Science Board, National Science Foundation, for a term expiring May 10, 2000.

John A. White, Jr., of Georgia, to be a Member of the National Science Board, National Science Foundation, for a term expiring May 10, 2000.

Townsend Wolfe, of Arkansas, to be a Member of the National Museum Services Board for a term expiring December 6, 1995.

Steven L. Zinter, of South Dakota, to be a Member of the Board of Trustees of the Harry S Truman Scholarship Foundation for a term expiring December 10, 1997.

Joan Challinor, of the District of Columbia, to be a Member of the National Commission on Libraries and Information Science for a term expiring July 19, 1999.

Phillip Frost, of Florida, to be a Member of the National Museum Services Board for a term expiring December 6, 1996.

Thomas Hill Moore, of Florida, to be a Commissioner of the Consumer Products Safety Commission for the remainder of the term expiring October 26, 1996.

Robert Pitofsky, of Maryland, to be a Federal Trade Commissioner for the term of seven years from September 26, 1994.

Shirley Ann Jackson, of New Jersey, to be a Member of the Nuclear Regulatory Commission for a term of five years expiring June 30, 1999.

Wilma A. Lewis, of the District of Columbia, to be Inspector General, Department of the Interior.

Jacquelyn L. Williams-Bridgers, of Maryland, to be Inspector General, Department of State.

John L. Bryant, Jr., of the District of Columbia, to be a Member of the National Museum Services Board for a term expiring December 6, 1997.

Rae E. Unzicker, of North Dakota, to be a Member of the National Council on Disability for a term expiring September 17, 1997.

Ela Yazzie-King, of Arizona, to be a Member of the National Council on Disability for a term expiring September 17, 1996.

1 Navy nomination in the rank of admiral.

Pages S5381–82

Nominations Received: Senate received the following nominations:

Roberta L. Gross, of the District of Columbia, to be Inspector General, National Aeronautics and Space Administration.

Karl N. Stauber, of Minnesota, to be Under Secretary of Agriculture for Research, Education, and Economics. (New Position)

A. Wallace Tashima, of California, to be United States Circuit Judge for the Ninth Circuit.

7 Air Force nominations in the rank of general.

1 Navy nomination in the rank of admiral.

Page S5381

Messages From the President: **(See next issue.)**

Messages From the House: **(See next issue.)**

Measures Referred: **(See next issue.)**

Executive Reports of Committees: **(See next issue.)**

Statements on Introduced Bills: **(See next issue.)**

Additional Cosponsors: **(See next issue.)**

Amendments Submitted: **(See next issue.)**

Notices of Hearings: **(See next issue.)**

Authority for Committees: **(See next issue.)**

Additional Statements: **(See next issue.)**

Record Votes: Six record votes were taken today. (Total—132)

Pages S5303, S5322, S5337, S5345, S5360–61, S5380

Recess: Senate convened at 9:30 a.m., and recessed at 10:43 p.m., until 10:30 a.m., on Friday, April 7, 1995.

Committee Meetings

(Committees not listed did not meet)

APPROPRIATIONS—NOAA/NIST

Committee on Appropriations: Subcommittee on Commerce, Justice, State, the Judiciary (and Related Agencies) held hearings on proposed budget estimates for fiscal year 1996 for the National Oceanic and Atmospheric Administration and the National Institute of Standards and Technology, receiving testimony from D. James Baker, Under Secretary for Oceans and Atmosphere, Mary Lowe Good, Under Secretary for Technology, and Arati Prabhakar, Director, National Institute of Standards and Technology, all of the Department of Commerce.

Subcommittee will meet again on Wednesday, April 26.

APPROPRIATIONS—NAVY/MARINE CORPS

Committee on Appropriations: Subcommittee on Defense held hearings on proposed budget estimates for fiscal year 1996 for Navy and Marine Corps programs, receiving testimony from John H. Dalton, Secretary of the Navy; Adm. Jeremy M. Boorda, Chief of Naval Operations; and Gen. Carl E. Mundy, Jr., USMC, Commandant.

Subcommittee will meet again on Tuesday, May 2.

AUTHORIZATION—DEFENSE

Committee on Armed Services: Subcommittee on Acquisition and Technology resumed hearings on proposed legislation authorizing funds for fiscal year 1996 for the Department of Defense and the future years defense program, focusing on the implementation of acquisition management reform, receiving testimony from Colleen Preston, Deputy Under Secretary of Defense for Acquisition Reform; Robert Murphy, General Counsel, General Accounting Office; and Peter DeMayo, Lockheed-Martin Corporation, Bethesda, Maryland.

Subcommittee recessed subject to call.

SECURITIES LITIGATION REFORM

Committee on Banking, Housing, and Urban Affairs: Subcommittee on Securities resumed hearings on proposals to reform the process of securities litigation, including related provisions of S. 240 and H.R. 1058, receiving testimony from Senator Mikulski; Arthur Levitt, Jr., Chairman, Richard C. Breeden, former Chairman, and Charles Cox, former Commissioner and former Acting Chairman, all of the Securities and Exchange Commission.

Hearings were recessed subject to call.

BUSINESS MEETING

Committee on Commerce, Science, and Transportation: Committee ordered favorably reported the following business items:

S. 565, to regulate interstate commerce by providing for a uniform product liability law, with an amendment in the nature of a substitute; and

The nomination of Charles Taylor Manatt, of the District of Columbia, to be a Member of the Board of Directors of the Communications Satellite Corporation.

NATIONAL HIGHWAY SYSTEM

Committee on Environment and Public Works: Subcommittee on Transportation and Infrastructure concluded hearings on S. 440, to providing for the designation of the National Highway System, focusing on issues related to the Woodrow Wilson Memorial Bridge and the innovative financing of transportation facilities, after receiving testimony from Jane F. Garvey, Deputy Administrator, Federal Highway Administration, Department of Transportation; Jack F. Herrity, Interstate Transportation Study Commission, Fairfax, Virginia; Ann C. Stern, Financial Guaranty Insurance Corporation, New York, New York; Ralph L. Stanley, United Infrastructure Company, Chicago, Illinois; and Daniel V. Flanagan, Jr., Infrastructure Investment Commission, Arlington, Virginia.

CONSUMER PRICE INDEX

Committee on Finance: Committee resumed hearings to examine the use of the Consumer Price Index as an indicator of inflation and changes in the cost of living, receiving testimony from Walter Erwin Diewert, University of British Columbia, Vancouver, Canada; Dale W. Jorgenson, Harvard University, Cambridge, Massachusetts; Ariel Pakes, Yale University, New Haven, Connecticut; and Joel Popkin, Joel Popkin and Company, Washington, D.C.

Hearings were recessed subject to call.

REGULATORY REFORM

Committee on the Judiciary: Committee continued in evening session to mark up S. 343, to reform the Federal regulatory process.

PROPERTY RIGHTS

Committee on the Judiciary: Committee held hearings on S. 605, to establish a uniform and more efficient Federal process for protecting property owners' rights guaranteed by the fifth amendment, receiving testimony from Senator Gramm; John R. Schmidt, Associate Attorney General, Department of Justice; Loren A. Smith, Chief Judge, United States Court of Federal Claims; Raymond B. Ludwiszewski, Gibson, Dunn & Crutcher, former General Counsel, Environmental Protection Agency, Nancie G. Marzulla, Defenders of Property Rights, and Roger Marzulla, Akin, Gump, Strauss, Hauer & Feld, all of Washington, D.C.; Carol M. Rose, Yale University Law School, New Haven, Connecticut; Nellie Edwards, Provo, Utah; and John J. Chaconas, St. Amant, Louisiana.

Hearings were recessed subject to call.

HEALTH CARE REFORM

Committee on Labor and Human Resources: Committee began markup of S. 454, to reform the health care liability system and improve health care quality through the establishment of quality assurance programs, but did not complete action thereon, and recessed subject to call.

FDA

Committee on Labor and Human Resources: Committee continued hearings to examine activities of the Food and Drug Administration, focusing on the challenges and opportunities facing the pharmaceutical, biotech, medical device, and food industries, and FDA's regulation of these industries, receiving testimony from David A. Kessler, Commissioner, Food and Drug Administration, Department of Health and Human Services.

Hearings were recessed subject to call.

NOMINATION

Committee on Veterans Affairs: Committee ordered favorably reported the nomination of Dennis M. Duffy, of Pennsylvania, to be an Assistant Secretary of Veterans Affairs for Policy and Planning.

House of Representatives

Chamber Action

Bills Introduced: Forty-five public bills, H.R. 1421–1465; two private bills, H.R. 1466–1467; and six resolutions, H. Con. Res. 58–60 and H. Res. 132–134, were introduced. **Pages H4413–15**

Reports Filed: Reports were filed as followed:

H.R. 618, to extend the authorization for appropriations for the Commodity Futures Trading Commission through fiscal year 2000 (H. Rept. 104–104); and

H.R. 483, to amend title XVIII of the Social Security Act to permit Medicare Select policies to be offered in all States, amended (H. Rept. 104–79, Part 2). **Page H4413**

Speaker Pro Tempore: Read a letter from the Speaker wherein he designates Representative Inglis of South Carolina to act as Speaker pro tempore for today. **Page H4337**

Defense Supplemental Appropriations: By a yea-and-nay vote of 343 yeas to 80 nays, Roll No. 296, of the House agreed to the conference report on H.R. 889, making emergency appropriations and rescissions to preserve and enhance the military readiness of the Department of Defense for the fiscal year ending September 30, 1995. **Pages H4345–56**

H. Res. 129, the rule which waived points of order against consideration of the conference report, was agreed to earlier by a voice vote. **Pages H4344–45**

Presidential Message—National Endowment for the Arts: Read a message from the President wherein he transmits the Annual Report of the National Endowment for the Arts for the fiscal year 1993—referred to the Committee on Economic and Educational Opportunities. **Pages H4359–60**

Housing for Older Persons: By a yea-and-nay vote of 424 yeas to 5 nays, Roll No. 297, the House passed H.R. 660, to amend the Fair Housing Act to modify the exemption from certain familial status discrimination prohibitions granted to housing for older persons. **Pages H4360–65**

Agreed to the committee amendment in the nature of a substitute. **Page H4365**

H. Res. 126, the rule under which the bill was considered, was agreed to earlier by a voice vote. **Pages H4356–59**

Paperwork Reduction Act: By a yea-and-nay vote of 423 yeas, with 2 voting "present", Roll No. 299, the House agreed to the conference report on S. 244, to further the goals of the Paperwork Reduction Act to have Federal agencies become more responsible and publicly accountable for reducing the burden of Federal paperwork on the public—clearing the measure for the President. **Pages H4374–78**

References in Statutes: House passed H.R. 1421, to provide that references in the statutes of the United States to any committee or officer of the House of Representatives the name or jurisdiction of which was changed as part of the reorganization of the House of Representatives at the beginning of the One Hundred Fourth Congress shall be treated as referring to the currently applicable committee or officer of the House of Representatives. **Pages H4378–79**

Commodity Futures Trading Commission: House passed S. 178, to amend the Commodity Exchange Act to extend the authorization for the Commodity Futures Trading Commission—clearing the measure for the President. **Pages H4379–80**

Question of a Privilege of the House: By a yea-and-nay vote of 230 yeas to 192 nays, Roll No. 300, the House agreed to the Walker motion to table the appeal of the ruling of the Chair that H. Res. 131, to preserve the constitutional role of the House of Representatives to originate revenue measures, did not raise a question of the privileges of the House and was, therefore, not a privileged resolution. **Pages H4380–83**

District Work Period: House agreed to H. Con. Res. 58, providing for an adjournment of the two Houses. **Page H4383**

Meeting Hour: Agreed to meet at 11 a.m. on Friday, April 7. **Page H4383**

Expanded Use of Medicare Selected Policies: By a recorded vote of 408 ayes to 14 noes, Roll No. 302, the House passed H.R. 483, to amend title XVIII of the Social Security Act to permit Medicare Select policies to be offered in all States. **Pages H4383–94**

Agreed to the committee amendment in the nature of a substitute made in order by the rule. **Page H4393**

Rejected the Waxman amendment in the nature of a substitute that sought to make Medicare Select policies programs available to all 50 States but only for an additional five-year period; and prohibit increases in premiums at renewal based on the age of the policyholder (rejected by a recorded vote of 175 ayes to 246 noes, Roll No. 301). **Pages H4387–93**

The Clerk was authorized to make such technical corrections and conforming changes as may be necessary in the engrossment of the bill. **Page H4394**

H. Res. 130, the rule under which the bill was considered, was agreed to earlier by a yea-and-nay vote of 253 yeas to 172 nays, Roll No. 298.

Pages H4366–74

Agreed to the Pryce technical amendment to the resolution. **Page H4366**

Presidential Message—Environmental Quality: Read a message from the President wherein he transmits the 24th Annual Report of the Council on Environmental Quality—referred to the Committee on Resources. **Pages H4394–96**

Senate Messages: Message received from the Senate appears on page H4337.

Quorum Calls—Votes: Five yea-and-nay votes and two recorded votes developed during the proceedings of the House today and appear on pages H4355–56, H4365, H4373–74, H4377–78, H4382–83, H4392–93, and H4393–94. There were no quorum calls.

Adjournment: Met at 10 a.m. and adjourned at 9:10 p.m.

Committee Meetings

FARM BILL—AGRICULTURAL WETLANDS AND WETLANDS ISSUES

Committee on Agriculture: Subcommittee on Resource Conservation, Research, and Forestry held a hearing on Agricultural Wetlands and Wetland Issues in the 1995 Farm Bill. Testimony was heard from the following officials of the USDA: Tom Herbert, Deputy Under Secretary, Natural Resources and Environment; and Paul Johnson, Chief, Natural Resources Conservation Service; Robert H. Wayland III, Director, Wetlands, Oceans, and Watersheds, Office of Water, EPA; Steve Forsythe, Division Chief, Division of Habitat Conservation, U.S. Fish and Wildlife Service, Department of the Interior; Michael Davis, Chief, Regulatory Branch, Civil Works Directorate, Corps of Engineers, Department of the Army; and public witnesses.

COMMERCE, JUSTICE, STATE, AND JUDICIARY APPROPRIATIONS

Committee on Appropriations: Subcommittee on Commerce, Justice, State, and Judiciary (and Related Agencies) held a hearing on Staffing and Operation of Overseas Missions, Department of Justice—Prisons and Related Issues. Testimony was heard from Richard M. Moose, Under Secretary, Management, Department of State; Henry Howard, Associate Director, Management, U.S. Information Agency; Lauri J. Fitz-Pegado, Assistant Secretary, and Director General, U.S. and Foreign Commercial Service, Department of Commerce; the following officials of the Department of Justice; Mark R. Steinberg, Director, Executive Office of National Security; Kathleen M. Hawk, Director, Bureau of Prisons; Kristine M. Marcy, Associate Director, Operations Support, U.S. Marshals Service; James A. Puelo, Executive Associate Commissioner, Programs, Immigration and Naturalization Service; and Edward F. Reilly, Jr., Chairman, United States Parole Commission.

INTERIOR APPROPRIATIONS

Committee on Appropriations: Subcommittee on Interior (and Related Agencies) held a hearing on Holocaust Memorial Council and Bureau of Land Management. Testimony was heard from Jeffrey T. LaRiche, Acting Director, Holocaust Memorial Council; and Michael P. Dombeck, Acting Director, Bureau of Land Management, Department of the Interior.

LABOR—HHS—EDUCATION APPROPRIATIONS

Committee on Appropriations: Subcommittee on Labor, Health and Human Services, and Education (and Related Agencies) continued appropriation hearings. Testimony was heard from Members of Congress.

The Subcommittee also held a hearing on Armed Forces Retirement Home. Testimony was heard from Dennis Jahnigen, Chairman, Armed Forces Retirement Home.

NATIONAL SECURITY APPROPRIATIONS

Committee on Appropriations: Subcommittee on National Security held a hearing on Readiness Issues. Testimony was heard from the following officials of the Department of Defense: Gen. John H. Tilelli, Jr., USA, Vice Chief of Staff, Army; Adm. Stanley R. Arthur, USN, Vice Chief, Naval Operations; Gen. Richard D. Hearney, USMC, Assistant Commandant, Marine Corps; and Gen. Thomas S. Moorman, Jr., USAF, Vice Chief of Staff, Air Force.

VA, HUD AND INDEPENDENT AGENCIES APPROPRIATIONS

Committee on Appropriations: Subcommittee on Veterans' Affairs, Housing and Urban Development and Independent Agencies continued appropriation hearings. Testimony was heard from Members of Congress and public witnesses.

ADMINISTRATION'S RESPONSE TO THE MEXICAN FINANCIAL CRISIS

Committee on Banking and Financial Services: Subcommittee on General Oversight and Investigations held a hearing on the Administration's response to the Mexican Financial Crisis. Testimony was heard from Representatives Istook, Kaptur, and Sanders; the following officials of the Department of the

Treasury: Jeffrey R. Shafer, Assistant Secretary, International Affairs; and Edward Knight, General Counsel.

HUD REINVENTION: FROM BLUEPRINT

Committee on Banking and Financial Services: Subcommittee on Housing and Community Opportunity held a hearing on HUD Reinvention: From Blueprint. Testimony was heard from Henry G. Cisneros, Secretary of Housing and Urban Development; and public witnesses.

OVERSIGHT

Committee on Government Reform and Oversight: Subcommittee on Human Resources and Intergovernmental Relations held an oversight hearing on the Department of Education: Opportunities for Cost Savings. Testimony was heard from the following officials of the Department of Education: Dianne Van Riper, Assistant Inspector General/Investigations, Office of the Inspector General; and Steven McNamara, Assistant Inspector General/Audit, Office of Inspector General; Cornelia Blanchette, Associate Director, Education and Employment Issues, GAO; and a public witness.

EFFECTIVENESS OF THE NATIONAL DRUG STRATEGY AND THE STATUS OF THE CURRENT DRUG WAR

Committee on Government Reform and Oversight: Subcommittee on National Security, International Affairs, and Criminal Justice held a hearing on the Effectiveness of the National Drug Control Strategy and the Status of the Current Drug War. Testimony was heard from Lee Patrick Brown, Director, Office of National Drug Control Policy.

MIDDLE EAST OVERVIEW AND UNITED STATES ASSISTANCE TO THE PALESTINIANS

Committee on International Relations: Held a hearing on Middle East Overview and United States Assistance to the Palestinians. Testimony was heard from Robert Pelletreu, Assistant Secretary, Near East and South Asian Affairs, Department of State; and Terrence J. Brown, Deputy Assistant Administrator, Asia and the Near East, AID, U.S. International Development Cooperation Agency.

THREAT OF ISLAMIC EXTREMISM IN AFRICA

Committee on International Relations: Subcommittee on Africa held a hearing on the Threat of Islamic Extremism in Africa. Testimony was heard from public witnesses.

INTERNATIONAL TERRORISM: THREATS AND RESPONSES

Committee on the Judiciary: Held a hearing on International Terrorism: Threats and Responses. Testimony was heard from William O. Studeman, Acting Director, CIA; the following officials of the Department of Justice; Jamie S. Gorelick, Deputy Attorney General ; and Louis J. Freeh, Director, FBI; Ambassador Philip Wilcox, Coordinator, Counterterrorism Section, Department of State; Lt. Col. Robin L. Higgins, USMC, widow of Col. William R. Higgins, USMC; and public witnesses.

RANGER TRAINING DEATHS

Committee on National Security: Subcommittee on Military Personnel met in executive session to receive a briefing on the Ranger training deaths. The Subcommittee was briefed by Maj. Gen. John W. Hendrix, USA, Commandant, U.S. Army Infantry School and Center, Ft. Benning, Georgia.

DEFENSE AUTHORIZATION

Committee on National Security: Subcommittee on Military Procurement continued hearings on the fiscal year 1996 national defense authorization request, with emphasis on bomber requirements. Testimony was heard from the following officials of the Department of the Air Force: Gen. John M. Loh, USAF, Commander, U.S. Air Force Air Combat Command; and Lt. Gen. Richard E. Hawley, USAF, Principal Deputy Assistant Secretary, Acquisition.

MARITIME SECURITY PROGRAM

Committee on National Security: Special Oversight Panel on the Merchant Marine held a hearing on maritime security program. Testimony was heard from public witnesses.

DEFENSE AUTHORIZATION

Committee on National Security: Special Oversight Panel on Morale, Welfare and Recreation continued hearings on the fiscal year 1996 national defense authorization request, with emphasis on the effect of force structure drawdown on commissaries and exchanges. Testimony was heard from the following officials of the Department of Defense: Fred Pang, Assistant Secretary, Force Management; Maj. Gen. Richard Beale, USA, Director, Defense Commissary Agency; Maj. Gen. Robert Swarts, USAF, Commander, Army-Air Force Exchange Service; Rear Adm. John Kavanaugh, USN, Commander, Navy Exchange Service Command; and Brig. Gen. James Joy, USMC (Ret.), Director, MWR Support Activity, U.S. Marine Corps.

SMALL BUSINESS INNOVATION RESEARCH PROGRAM

Committee on Small Business: Subcommittee on Government Programs held a hearing on the Small Business Innovation Research Program (SBIR). Testimony was heard from the following officials of the SBA: Jere W. Clover, Chief Counsel, Advocacy; and Robert Neal, Associate Deputy Administrator, Government Contracting; Victor S. Rezendes, Director, Energy and Science Issues; GAO; Samuel J. Barish, Director, SBIR/STTR Program, Department of Energy; and Robert L. Norwood, Director, Commercial Development and Technology Transfer, Office of Space Access and Technology, NASA; and public witnesses.

CLEAN WATER AMENDMENTS

Committee on Transportation: Ordered reported amended H.R. 961, Clean Water Amendments of 1995.

VETERANS HEALTH ADMINISTRATION REORGANIZATION

Committee on Veterans' Affairs: Subcommittee on Hospitals and Health Care held a hearing on reorganization of the Veterans Health Administration. Testimony was heard from Kenneth W. Kizer, Assistant Secretary, Health, Department of Veterans Affairs; and public witnesses.

Joint Meetings

FAMILY TAX RELIEF

Joint Economic Committee: Committee concluded hearings to examine the economic effects of a $500-per-child expanded family tax credit as contained in the proposed Family, Investment, Retirement Savings and Tax Fairness Act, after receiving testimony from Senator Coats; Representative Hutchinson; Gary L. Bauer, Family Research Council, Scott A. Hodge, Heritage Foundation, David S. Liederman, Child Welfare League of America, Peter J. Ferrara, National Center for Policy Analysis, and Marshall Wittmann, Christian Coalition, all of Washington, D.C.; and Steve Kean, Woodbridge, Virginia.

FORMER YUGOSLAVIA

Commission on Security and Cooperation in Europe (Helsinki Commission): Commission concluded hearings to examine international presence in the former Yugoslavia, focusing on the development of a new mandate for United Nations peacekeepers in Croatia and efforts to restore peace and stability in Bosnia and Herzegovina, after receiving testimony from Richard Holbrooke, Assistant Secretary of State for European and Canadian Affairs; John R. Lampe, Woodrow Wilson Center, Washington, D.C.; and Stephen Walker, Arlington, Virginia, on behalf of the Action Council for Peace in the Balkans and the American Committee to Save Bosnia.

COMMITTEE MEETINGS FOR FRIDAY, APRIL 7, 1995

(Committee meetings are open unless otherwise indicated)

Senate

Committee on Finance, Subcommittee on Social Security and Family Policy, to hold hearings to review the 1995 Annual Report of the Social Security and Disability Trust Funds, 9:30 a.m., SD–215.

House

Committee on Appropriations, Subcommittee on Interior (and Related Agencies), on Franklin Delano Roosevelt Memorial Commission, National Capital Planning Commission, and on Pennsylvania Avenue Development Corporation, 11 a.m., B–308 Rayburn.

Permanent Select Committee on Intelligence, executive, to consider pending business, 11 a.m., H–405 Capitol.

Joint Meetings

Joint Economic Committee, to hold hearings to examine the employment-unemployment situation for March, 9:30 a.m., SD–562.

Commission on Security and Cooperation in Europe, to hold a closed briefing on the United Nations High Commission for Refugees (UNHCR) activities and concerns in the former Yugoslavia and several of the Newly Independent States of the former Soviet Union, 10 a.m., 2255 Rayburn Building.

Next Meeting of the SENATE

10:30 a.m., Friday, April 7

Senate Chamber

Program for Friday: Senate will conduct routine morning business.

Next Meeting of the HOUSE OF REPRESENTATIVES

11 a.m., Friday, April 7

House Chamber

Program for Friday: Legislative program will be announced later.

Extensions of Remarks, as inserted in this issue

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