

million of land acquisition from willing sellers, and in the long term when mining operations cease and the lands revert back to the Forest Service.

In addition, the bill creates a land acquisition account to be funded by the first \$5 million of royalties collected for further land purchases in the Tongass National Forest, with priority to non-Federal lands within the national monument.

Pursuant to the terms of the agreement, if Greens Creek fails to purchase and deliver title to \$1.1 million worth of lands acceptable to the Forest Service, the land exchange will not be consummated.

Mr. Speaker, it is important to consider this agreement in the context of efforts to reform the mining law of 1872. The notion that those of us who favor modernizing the mining laws are opposed to the mining industry in this country is simply false. My support of this legislation, which is likely to significantly enhance the economics and life of the Greens Creek Mine, should put that falsehood to rest.

This legislation does set an important precedent that the Government should receive a royalty share for the development of public lands. At the same time, I do not consider the 3-percent net royalty negotiated in this agreement as universally applicable for purposes of mining reform.

I recognize there were concessions from both sides in the negotiating process and I am reluctant to rewrite the deal. On balance, however, I applaud both Kennecott and the Forest Service for their efforts, and I ask Members to support the bill.

May I add personally, Mr. Speaker, again my congratulations to the gentleman from Alaska [Mr. YOUNG], the chairman, and the appreciation of all the members on the minority side for his openness and, as always, his willingness to be cooperative with us.

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

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

Mr. Speaker, I could only echo what the gentleman just said. There is a way we can work on many of these issues and solve the problem if we seek to do so.

The gentleman from Hawaii has always been able to work with me on his issues especially in his great State. We have a great deal in common. We hope to solve some of his problems with the Hawaiian natives which we have also solved in Alaska. I do compliment him.

I may suggest to the gentleman from California [Mr. MILLER], the ranking member, we ought to let the gentleman from Hawaii [Mr. ABERCROMBIE] manage these bills more often.

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

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

The SPEAKER pro tempore (Mr. FUNDERBURK). The question is on the motion offered by the gentleman from Alaska [Mr. YOUNG] that the House suspend the rules and pass the bill, H.R. 1266, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

#### GENERAL LEAVE

Mr. YOUNG of Alaska. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks, and include extraneous material, on H.R. 1266, the bill just passed.

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

There was no objection.

#### CRONYISM INVOLVED IN REPUBLICAN BUDGET PROPOSAL

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

Ms. FURSE. Mr. Speaker, can this really be true? The 1996 budget before us cuts school lunches, makes Medicare more expensive, guts environmental protection, all in the name of balancing the budget, but the biggest item of all is not touched. In fact, it is increased. The millions of Americans who thought that the end of the cold war meant the end of huge Pentagon budgets will be sadly disappointed.

For years, when thoughtful people said that the waste in the Pentagon was enormous, we were criticized for not being strong on defense. But, of course, we were right all along.

An article in Sunday's Washington Post states, "Each year the Department of Defense inadvertently pays contractors millions of dollars that it does not owe."

"In addition," the article says, "the department has spent \$15 billion"—and I repeat, \$15 billion—"it cannot account for over the last decade."

Why are we cutting education, nutrition, health care, and environmental protection, but increasing Pentagon spending? Could it possibly be that defense contractors make huge contributions? But children, seniors, endangered species, they do not.

This is not an issue of security. This is an issue of cronyism.

Mr. Speaker, the article referred to is as follows:

[From the Washington Post, May 14, 1995]

LOSING CONTROL—DEFENSE DEPARTMENT—BILLIONS GO ASTRAY, OFTEN WITHOUT A TRACE

(By Dana Priest)

Each year, the Defense Department inadvertently pays contractors hundreds of mil-

lions of dollars that it does not owe them, and much of the money is never returned.

In addition, the department has spent \$15 billion it cannot account for over the past decade.

And Pentagon purchasing agents appear to have overdrawn government checking accounts by at least \$7 billion in payment for goods and services since the mid-1980s, with little or no accountability.

Unlike the infamous \$7,600 coffee pot and \$600 toilet seat pricing scandals of years past, these problems, and many more, are the result of poor recordkeeping and lax accounting practices that for years have characterized the way the Defense Department keeps track of the money—\$260 billion this year—that it receives from Congress.

According to a series of investigations by the Department's inspector general and the General Accounting Office, and ongoing work by Pentagon Comptroller John J. Hamre, the department's systems of paying contractors and employees are so antiquated and error-prone that it sometimes is difficult to tell whether a payment has been made, whether it is correct, or even what it paid for.

Just how much money does the poor accounting waste?

Former deputy defense secretary and new CIA Director John M. Deutch wouldn't hazard a guess. "Lots," he scribbled recently on a reporter's notebook in response to a question.

For months after he took the job as chairman of the Joint Chiefs of Staff in late 1993, Gen. John Shalikashvili received paychecks for the wrong amount. In the last year and a half, Comptroller Hamre counted six problems with his own pay.

A paper-based system in which items frequently are misplaced or lost and computers that often cannot talk to each other are part of the problem. But there are other major systemic weaknesses. A lack of basic accounting procedures—such as matching invoices and payment records, or keeping track of money spent on a given piece of equipment from one year to the next—has made it impossible to determine how billions of dollars have been spent by each of the service branches.

In addition, Hamre explained, tracking the money has been nearly impossible because 300 different program directors—the Air Force F-16 fighter program director, the commanding officer of an aircraft carrier, the head of a maintenance depot, for example—have had separate checkbooks, each one free to write checks without regard to the balance in the Pentagon's central registry.

The U.S. Treasury has always paid the bills, even when there was no money in a given project's account, because it assumes any error was unintentional and someday would be corrected, said Pentagon officials and inspector general investigators.

"There's this huge pot of money over there in the Treasury that you can keep drawing down," said the Deputy Inspector General Derek J. Vander Schaaf. "As long as your [overall] checkbook's good," he said, meaning the Treasury, "nobody screams."

The problems were created over several decades and made worse during the 1980s Reagan administration defense buildup during the latter days of the Cold War, when there was little political will to scrutinize the record sums being spent.

Today, however, even ardent defense hawks have become disturbed over the mismanaged flow of funds. Some Republicans who looked deeply into the matter are suggesting a freeze on military spending until the Pentagon's corroded payment system can be permanently fixed.

"The defense budget is in financial chaos," said Sen. Charles E. Grassley (R-Iowa), who